

AFFORDABLE HOUSING COMMITTEE

Council of the County of Maui

MINUTES

JANUARY 3, 2022

Online Only via BlueJeans

CONVENE: 1:33 p.m.

PRESENT: VOTING MEMBERS:

Councilmember Gabe Johnson, Chair
Councilmember Michael J. Molina, Vice-Chair
Councilmember Tasha Kama, Member (Out 5:07 p.m.)
Councilmember Kelly Takaya King, Member
Councilmember Alice L. Lee, Member (Out 4:42 p.m.)
Councilmember Tamara Paltin, Member
Councilmember Shane M. Sinenci, Member (Out 4:53 p.m.)
Councilmember Yuki Lei K. Sugimura, Member

EXCUSED: VOTING MEMBERS:

Councilmember Keani N.W. Rawlins-Fernandez, Member

STAFF:

Alison Stewart, Legislative Analyst
Laksmi Abraham, Legislative Analyst
Jerry Paredes, Legislative Analyst
Paige Greco, Legislative Analyst
James Forrest, Legislative Attorney
David Raatz, Deputy Director
Keoni Shirota, Committee Secretary
Kristeena Locke, Council Services Assistant Clerk

Stacey Moniz, Executive Assistant to Councilmember Gabe Johnson
Kate Griffiths, Executive Assistant to Councilmember Gabe Johnson
Autumn Ness, Executive Assistant to Councilmember Gabe Johnson
Roxanne Morita, Executive Assistant to Councilmember Gabe Johnson
Evan Dust, Executive Assistant to Councilmember Tasha Kama
Lois Whitney, Executive Assistant to Councilmember Tasha Kama
Davideane Kama-Sickels, Executive Assistant to Councilmember
Tasha Kama
Axel Beers, Executive Assistant to Councilmember Kelly Takaya King

Zhantell Lindo, Council Aide, Molokaʻi Council Office (via telephone
conference bridge)

Denise Fernandez, Council Aide, Lānaʻi Council Office (via telephone
conference bridge)

Mavis Oliveira-Medeiros, Council Aide, Hāna Council Office (via
telephone conference bridge)

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Michele Blair, Council Aide, West Maui Office (via telephone conference bridge)

ADMIN.: Linda Munsell, Deputy Director, Department of Housing and Human Concerns
Mimi Desjardins, Deputy Corporation Counsel, Department of the Corporation Counsel
Buddy Almeida, Assistant Housing Administrator, Department of Housing and Human Concerns
Randy N.T. Chu, Deputy Director, Department of Land Management, City and County of Honolulu

OTHERS: Doyle Betsill, Alaula Builders
Lawrence Carnicelli, Alaula Builders
Thelma Akita-Kealoha, Catholic Charities
Jeff Furuta, Catholic Charities
Sherri K. Dodson, Habitat for Humanity Maui
Gabriel Hoeffken, Habitat for Humanity Maui
Grant Chun, Hale Mahaolu
Sery Berhanu, Hawaii Housing Finance and Development Corporation
Jeff Gilbreath, Hawaiian Community Assets
Kali Watson, Hawaiian Community Development Board
Mohannad (Moe) H. Mohanna, Highridge Costa
Monte Heaton, Highridge Costa
Douglas Bigley, Ikaika Ohana
Grant Bigley, Ikaika Ohana
Alicia Ruelke, Ikenakea Development
Chris Flaherty, Ikenakea Development
Keegan Flaherty, Ikenakea Development
Patti Tancayo Barbee, Ikenakea Development
Jeff Ueoka, Mancini, Welch, & Geiger
Kari Luna Nunokawa, Munekiyo Hiraga
Keiki-Pua Dancil, Pulama Lanai
Olivia Simpson, Pulama Lanai
Linda Schatz, Schatz Collaborative
Paul Cheng, USAI Investments
Preston Cheng, USAI Investments
Gil Keith Agaran, USAI Investments
Vince Bagoyo, Vince Bagoyo Development Consulting Group
Peter Martin, West Maui Land Company
John Rita, Maui Laulima LLC

Lisa Darcy – Share Your Mana
Stan Franco
Blossom Feiteira
Junya Nakoa
Others - 4

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

CHAIR JOHNSON: . . .(gavel). . . Aloha. Will the Affordable Housing Committee meeting please come to order. I'm Gabe Johnson with...the Committee Chair. Present to me today is Kate Griffiths and Max Renagaldo (*phonetic*), my roommate. This online meeting is being conducted in accordance with the Governor's most recent emergency proclamation, which had suspended the use of in-person testimony and viewing locations due to the recent COVID surge. Also per emergency proclamation, Members at non-public locations should say who, if anyone, is present with them. Members, joining us today, are Committee Vice-Chair Mike Molina. Namaste to you, Councilmember Molina.

VICE-CHAIR MOLINA: Happy New Year, and namaste to you, Mr. Chair, my colleagues, and everyone else joining us for our Affordable Housing meeting today, January 3rd, 2022. And for the record, I am transmitting from my home in Makawao, and my wife is in the other room about 50 feet away, for the record. Aloha.

CHAIR JOHNSON: Aloha. Next we have Council Chair Alice Lee. Namaste to you, Chair Lee.

COUNCILMEMBER LEE: Chair Johnson, namaste. I'm home alone, and in my workspace, and I want to wish everyone a very Happy New Year, looking forward to 2022.

CHAIR JOHNSON: Wonderful. Let's move on to Councilmember Tasha Kama. I saw her...oh, yeah, she's down there, okay. Namaste to you, Councilmember Kama. Good to see you.

COUNCILMEMBER KAMA: Namaste, my beloved Chair of Affordable Housing. Thank you so very much for being here today, and for your comments during the winter break. I was so much in agreement with what you said, and let's just all do this together, beginning right here among us. So thank you so much, Chair. And I am here at my home, in my office by myself. So aloha, everyone, namaste. Aloha, a hui hou.

CHAIR JOHNSON: Aloha. Wonderful words. Let's move on to Councilmember Tamara Paltin. Namaste, Councilmember Paltin.

COUNCILMEMBER PALTIN: Namaste, aloha 'auinalā, a me hau'oli makahiki hou kākou. Transmitting live and direct from the West Maui District Office, with my EA, Angela, who is more than six feet away, and my two newest interns I just hired named Nāhiku and Kalehua. I sure can't wait for school to start up again.

CHAIR JOHNSON: Namaste. Okay, let's...Council Vice-Chair Keani Rawlins-Fernandez is excused today, so let's move on to Councilmember Shane Sinenci. Namaste, Councilmember.

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COUNCILMEMBER SINENCI: Hey, namaste, Chair and colleagues. Akemashite omedetou gozaimasu, hau'oli lā hānau kākou mai Maui Hikina, where we're transporting...transmitting today from the Hāna Cultural Center. Aloha.

CHAIR JOHNSON: Aloha. Okay, and it looks like finally, we have Councilmember Yuki Lei Sugimura. Namaste, kotoshimo yoroshiku onegaishimasu.

COUNCILMEMBER SUGIMURA: Oh, so...wow, that's really good. That was from grandma. Namaste, everybody, and I'm in Kula and in a beautiful...it was rainy earlier, so it was very nice. But I wanted to just greet all of you for the New Year, and please be safe. I look forward to having a great year or...yeah, a great year with you in 2022. Thank you.

CHAIR JOHNSON: Well said, Councilmember. And finally, we have Councilmember Kelly King, and the word is namaste to you. Namaste, Councilmember.

COUNCILMEMBER KING: Namaste, Chair Johnson and colleagues, and hau'oli makahiki hou. I am in my District Office, in my office alone, and in the lobby area, is Allan (*phonetic*) from my office. Daniel is out today.

CHAIR JOHNSON: Okay. All right, Members, we have...from the Administration we have some folks. We've got Housing and Human Concerns Deputy Director Linda Munsell, Housing Administrator Buddy Almeida, Deputy...Deputy Corporation Counsel Mimi Desjardins. Our Committee Staff is Legislative Analysts Alison Stewart, Laks Abraham, and Jerry Paredes; Legislative Analyst James Forrest, Committee Secretary Keoni Shirota, and Assistant Clerk Kristeena Locke. So Members, let's move on to our agenda. We only have one item on our agenda. AH-14(8) the Comprehensive Affordable Housing Plan, the Priority Projects. Okay, so today we'll be receiving updates from 17 housing developments identified as priority projects in the Comprehensive Affordable Housing Plan. So let's begin with public testimony. Testifiers can join the BlueJeans link using the information on the agenda. Written testimony can be sent at any time using eComment at mauicounty.us/agendas. Oral testimony is limited to three minutes. 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 to the list will be posted in the chat, and you may be...you may chat to be added or taken off of the list. Chat should not be used to provide testimony or comments during the meeting, and we will be kind of strict on that. Let's kind of keep it to just what's...what was mentioned before. Once testimony has closed, you will be disconnected from BlueJeans. Please continue to view the meeting on *Akakū* Channel 53, Facebook Live, or at mauicounty.us. Mahalo for your cooperation, Members. I would like to proceed with oral testimony. Any objections?

COUNCILMEMBERS VOICED NO OBJECTIONS

CHAIR JOHNSON: Okay, seeing none. Mr. Paredes, will you please call the first testifier?

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MR. PAREDES: Chair Johnson, the first individual signed up to testify on the list is Lisa Darcy, to be followed by M.W.G.

. . . BEGIN PUBLIC TESTIMONY . . .

MS. DARCY: Good afternoon, Council [sic].

CHAIR JOHNSON: We could hear you say good afternoon, and then I think you muted yourself or something.

MS. DARCY: No, you know, it's --

CHAIR JOHNSON: Oh, there it is.

MS. DARCY: -- I have a really funky...oh, good. Okay, my connection is super funky, and maybe I can bring a little funk today. So Happy New Year to everyone. It's wonderful to see you all. I hope you've got your groove back if you lost it. We're definitely going to need it for this year, as we all know. I'm not going to speak to the specifics of any one of the AH...the only agenda item. My name is Lisa Darcy. I'm the founder of Share Your Mana. I am also a member of the Commission on Healing Solutions for Homelessness. And I'm hoping that one of the offerings today that I can share is that the decisions before you are going to change the course of this community this coming year. As we know, housing is a...the key factor to people's health, and it is at an epidemic level of crisis. And I'm going to urge you to review the list today, and whatever ones do not meet what our current situation needs, or are not really identifying the health and safety for our community, I'm going to encourage you to be courageous, and move in the direction that you need to in order to put your energies towards whatever will work. And even if it hasn't been shown today, whatever it is. And I just want you to know that I am grateful for all of the work that you do, and appreciate everybody here today. I feel like I...I silently cheer you, and you only hear the frustrations. But just know that these are...these are really big, really important issues, and it's falling on your shoulders to really identify the depth of that. So good luck today in going forward. And I really appreciate the work that you're doing. And yeah, whatever doesn't fall on your list of how you know it's going to serve the County, we need to remove it or move on. So good luck. Thank you.

CHAIR JOHNSON: Thank you. Ms. Darcy. I also appreciate your work and what you're doing, so thank you for that. Members, do we have any questions for Ms. Darcy? Seeing none. Thank you once again for your testimony. Aloha.

MS. DARCY: Bye. Aloha.

CHAIR JOHNSON: Aloha. Mr. Paredes, can you call the next testifier, please?

MR. PAREDES: Chair Johnson, the next testifier is Stan Franco.

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CHAIR JOHNSON: Afternoon, Stan. Are you on the call?

MR. FRANCO: Yes, I am. Hi, namaste, Happy New Year. Thank you for all you've done in the previous year, and I know and look forward to a productive 2022. I want to echo what Lisa Darcy said. You know, when I look at the Affordable Housing Plan, on page 6, it says, based on this information, the County needs a new affordable housing system with additional resources, tools, and processes to target affordability to meet the real demand of its people. We have these projects before us, the Hawai'i [sic] Community Assets and Jeff did a wonderful job in looking at what the real need is. And it shows on their graph on page 6 that, you know, below that 50 percent, there's a great need for affordable housing. The group from 60 to 120 percent, there's a great need as well. So I think we need to ask the projects that you're going to be looking at today whether they are going to be meeting that real need, or do we need to work with them to be able to meet that need. So maybe the County has to look at these developers and say, well, this is what really our community needs, and if you cannot provide that because you're doing this on your own dime, maybe we need to partner with you to make the need that our community have become a reality. So what I'm asking for you as a Council is to make it...make this community plan...this Community [sic] Affordable Housing Plan a reality. We cannot be just approving projects for the sake of approving projects under an old system which did not really meet the demand of our people. We keep hearing stories...I hear stories almost every day of people not being able to live on this island and have to move away. I just had one yesterday, I was talking to a friend. They had to move from Maui to O'ahu because he could not find an affordable rental on the island. This has got to stop, you know. And as Lisa said, we ask you to really make this an effort in 2022 that we meet the demand for housing for our people. Thank you so much.

CHAIR JOHNSON: Thank you for your words, Mr. Franco. Members, do we have any questions? Seeing none. Thank you once...oh, we do have one from Councilmember Paltin. Go ahead, Councilmember. Oh, you're muted.

COUNCILMEMBER PALTIN: Thank you, Chair. I just had a question. When you're saying if it's not what we need, I...I...my understanding was that we need all the entire range of housing, maybe save some luxury developments. But when you said if it's not what we need, then move on, I just...I thought we need all the entire range. For...for clarification.

MR. FRANCO: Okay, so when we created the Comprehensive Affordable Housing Plan, it was based on 5,000 units over five years, from zero to 120 percent. That's what the plan was written for. Over 120 percent, we feel the market can take care of that, so we don't have to worry about that. People will go for that market. What we're concerned about is the people themselves that are working in the retail hotels, and even some of our medical staff and police officers...we're worried about the people from zero to 120 percent. And that's how the plan is written up. And the demand for housing in that group is what we're...what should be the focus and the work of the Council. So that's what I'm talking about. I hope that's clear.

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COUNCILMEMBER PALTIN: Okay. Thank you. Thank you for that clarification, it does help me. Thank you, Chair.

CHAIR JOHNSON: Okay. We do have another question for you, Mr. Franco, from Councilmember Kama.

COUNCILMEMBER KAMA: Happy New Year, Stan. Nice to see you.

MR. FRANCO: Happy New Year.

COUNCILMEMBER KAMA: So my question to you is, do you know if...you know, like...you know, one of the things that I've had discussions over the holiday was the need for more specialized doctors, and we have a shortage of that on our island too. But do you know if they fall above the 120 percent AMI, or are they at the 140 and above?

MR. FRANCO: Okay. So you know, if we look at what the cost...the Housing Department...Housing and Human Concerns Department says, 100 percent is 95,000...I think 95,500 --

COUNCILMEMBER KAMA: Yeah.

MR. FRANCO: -- for a household. And you know, if you look at medical staff, doctors, for instance, most of them are making much more than 95,500. So usually, they would be above the 120 percent that this plan is looking for...to that need you know. So I would assume that...you know, you're right, and I think we have...I think Tamara made the comment that we need housing for a lot of people, but our focus is centralized on the real need of the majority of the people. And then those are the folks that make under 120 percent.

COUNCILMEMBER KAMA: Right. Right. So I was only asking the question because although the need for housing is in the lower spectrums, but when I think about the health of our people too, and what they will be needing in terms of health care, and if we don't have that for our health care providers, then we don't have them to take care of our people's health. So that's the stuff that's been going on in my head. But thank you so much for coming forth with that. I appreciate that. Thank you.

CHAIR JOHNSON: Okay.

COUNCILMEMBER KAMA: Thank you, Chair.

CHAIR JOHNSON: Thank you, Councilmember Kama. Members, any further questions for Mr. Franco? Seeing none. Thank you once again for your time. Aloha. All right. Okay, Mr. Paredes, can you call the next testifier, please?

MR. PAREDES: Chair Johnson, the next testifier is Blossom Feiteira.

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MS. FEITEIRA: Good afternoon, Mr. Chair. Can you hear me?

CHAIR JOHNSON: Loud and clear, Blossom.

MS. FEITEIRA: All right. Aloha, everybody. Happy New Year, County Council [sic]. You know, I just want to thank you all for the past year. In 2021, I think this Council made great strides in beginning the process of addressing affordable housing for Maui County. As all of you know, I played a small part in the development of the Comprehensive Affordable Housing Plan, and I appreciate all the comments and support that this County Council gave us during our process. Two key things that I wanted to emphasize. We've got some great projects on your list here for the County Council to take a look at, but one of the two key things that came out of the Affordable Housing Plan conversations was the need to reduce the cost that developers incur in the development of these projects, number one; and that there has to be a process that would be able to accelerate the development of affordable housing units so that we could truly start to take a look at meeting that need on a real-time basis. And the other thing was that, as Mr. Franco stated, our research showed that a large part of our...our community was found...that needed the housing the most, the most vulnerable part of our community, was in the 50 percent and below range. And unfortunately, the way the County was dealing with affordable housing didn't really address those needs in a way that is reflective of the representation in the community. And so we hope that the Plan itself brought some recommendations for...to meet these challenges. I think that as we move forward, we're going to see a lot more progress. Thanks to all of your commitment to affordable housing for Maui County. And if anybody has any specific questions, I'd be more than happy to answer them. Mahalo for the opportunity, Mr. Chair.

CHAIR JOHNSON: Of course, Blossom. Members, do we have any questions for...oh, we do have one from Councilmember Paltin. Go ahead.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Feiteira. I just was wanting to clarify when you said about supplementing the developer. Did you...to clarify, did you mean to give the money to the developer, give the money to the homebuyer, or do the infrastructure, or something totally different than one of those three?

MS. FEITEIRA: Thank you, Councilmember Paltin. One of the key things that came out of the Affordable Housing Plan was the need to reduce the cost of the infrastructure. Since, you know, in a normal process, the developer fronts all the money up front, right, and then they recover in the sale of the properties. What we're asking the County to do is to subsidize some of the infrastructure costs, particularly for those that are operating those affordable housing units. If the County is willing to advance that as a contribution for affordable housing, that would be great. But I think in order for the County to have a role in what these affordable housing projects are going to look like, and its composition, clearly having a hand in that would make a big difference to the community in seeing those types of units be made available.

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COUNCILMEMBER PALTIN: So you're not talking about giving the money directly to the developer, but rather building out the infrastructure instead?

MS. FEITEIRA: Correct.

COUNCILMEMBER PALTIN: Okay. All right. Thank you.

MS. FEITEIRA: You're welcome. Mahalo for the question.

CHAIR JOHNSON: Okay, thank you. Members, any other questions for Blossom? Seeing none. Thank you once again. I appreciate all that you do.

MS. FEITEIRA: Mahalo, Mr. Chair.

CHAIR JOHNSON: Okay. You're welcome. Mr. Paredes, can you call the next testifier?

MS. FEITEIRA: Chair Johnson, the next testifier is Butch Gima.

CHAIR JOHNSON: Afternoon, Butch. Are you on the call?

MR. GIMA: Yes, I am, but I...I didn't sign up.

CHAIR JOHNSON: Okay. All right. Thank you. Mr. Paredes, can you call the next testifier, please?

MR. PAREDES: Chair Johnson, the next testifier is Kali Watson.

COUNCILMEMBER PALTIN: So that might be --

CHAIR JOHNSON: *(audio interference)*

COUNCILMEMBER PALTIN: -- our resource Kali Watson, yeah?

CHAIR JOHNSON: Oh, okay. Yeah, I...I think that's a resource. Okay, let's move on and see if we have any more testifiers, Mr. Paredes.

MR. PAREDES: Chair Johnson, the next individual signed up to testify is Jeff, to be followed by Junya Nakoa.

CHAIR JOHNSON: Okay, we have Jeff on the call. If you could state your last name, if you're here to testify?

COUNCILMEMBER PALTIN: That might be a resource too, Mr. Gilbreath.

CHAIR JOHNSON: Oh, okay. All right. Well, I...I think Junya, if he's on the call. Junya Nakoa, are you on the call?

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MR. NAKOA: Yo.

CHAIR JOHNSON: We'll go back to Jeff. Okay, Junya. We'll go back to Jeff if he's here. Go ahead, Junya, the floor is yours.

MR. NAKOA: Yassah. Happy New Year, you buggahs. Yassah. I hope you guys all pau hangover, because I am, but right back to work. Yeah, but I agree with everybody saying, like, you need all ranges, yeah, for the affordable, because get some guys only work busboy, l'dat, you know, waiters, l'dat. Some...some people I know that's ohana, they work as nurses and doctors or whatever, and the doctor, they work construction for Goodfellow, they make good money. So yeah, all ranges, you know what I mean? All the percentage is the one we need. And going touch on what Blossom was saying about, you know, the County can do a lot to help. For...only for affordable part, you know, for the developers, not for the whole market team. And you know, build the infrastructure. You know, they can do their part too, to help out getting to that 5,000 homes built, yeah. Yeah, the Mayor just went go, you know, get land from A&B that he said was going to be used for affordable homes. So again, make sure all those homes is up for affordable, and the County do its part to build the infrastructure. And I working on one project with some...with...when...with a developer that like build 100 percent affordable, no cost to the County, you know, and...and do 'em cherry, you know what I mean? So I'm going to hold them accountable for do their part, but I think the County gotta do their part and, you know, help with the infrastructure and the permitting process. Oh, you guys know about...how I know about the permitting process, but legit permitting process, you know, not the kine crooked kine, the real kine to make it right for the people of Hawai'i. Because what should I tell you is this, my family, my own family we're moving in the next year or two because their kids no can afford for get houses, you know what I mean? So they going move, they going move. I kind of bum out, I stay piss off, but I going do one last hurrah, and go try my best for do all this housing, yeah, for the local people of Maui, so we no need move. And you know, keep my 'ohana over here. And I not joking, brah, we going bust our ass to go make shit work for keep our family here, and you guys are doing a great job. All of you guys who went vote for the people of Hawai'i and all the affordable housing. Mahalo. But I tell you guys right now, I going to be all over it, we going bust ass, we going gets...just try to get some shit done. And mahalo, you guys, Happy New Year. All ranges of all the percentages, and have the County build the infrastructure for the affordable part of...and make sure the buggah stay affordable for the project. Mahalo.

CHAIR JOHNSON: Okay, Mr. Nakoa. Members, do we have any questions for...for Junya today? All right, seeing none. Thank you once again for your testimony. Aloha.

MR. NAKOA: Shoot.

CHAIR JOHNSON: Okay, Mr. Paredes, I think we sorted out who's our next testifier, if we have any?

MR. PAREDES: Chair Johnson, we do not have any more individuals signed up to testify on the list.

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CHAIR JOHNSON: Okay, so let me do a last call. So 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's no more individuals wishing to testify, without objection, I'll now close oral testimony and have written (*audio interference*) to the record.

COUNCILMEMBERS VOICED NO OBJECTIONS (excused: KRF).

. . . END PUBLIC TESTIMONY . . .

ITEM 14(8): COMPREHENSIVE AFFORDABLE HOUSING PLAN: PRIORITY PROJECTS

CHAIR JOHNSON: Okay. All right, Members, let's move on to our big, number one agenda, AH-14(8) Comprehensive Affordable Housing Plan: Priority Projects. Okay, Members, I've invited representatives from 21 housing developments identified as priority projects on pages 40 to 42 in Appendix L of the Comprehensive Affordable Housing Plan to provide a five-minute update on their project. And if you'd like to, Members, it's up on Granicus. You can look at today's Granicus. It does have the Comprehensive Affordable Housing Plan for your viewing pleasure. So here's the types of questions we asked them. The type of project, location, target AMI and funding sources, the current status of the project, the timeline for the completion, and any obstacles or challenges that need to be addressed. In the plan, the designation priority project related...relates to the development's potential to contribute to the affordable housing inventory in the next five years. The...these projects are either in the implementation or concept development phase, or required...or require the removal of barriers. We will hear from 17 of these projects today. The four that are not available for today's discussions are the Waikapu East subdivision number three, also known as Waikapu Ventures; Hoku'ula...Hoku'ula at Hali'imaile; Kilohana Makai; and Makila Farms. Those are...will not be presenting today. I plan to follow up with each of these projects, and if Members have extensive follow-up questions from...from [*sic*] the presenters, they are also welcome to reach out to these resources as well on your own. On behalf of the Committee, I want to express at the outset our deep appreciation to the developers and their representatives for joining us in this discussion today so soon after the New Year's, and of course, for their efforts to bring more affordable housing to Maui County. The project scheduled for the present...presentations are, and Staff can share screen...or actually, it's up there in the...in the chat as well. But I'm going to read through them. So again, I beg your pardon, a lot of these names I'm...I'm going to...I'm struggling with them, but I...I got a little background in Japanese, and sometimes the pronunciation is kind of similar. So let me try it. Hale Pilina, the developer is Catholic Charities Development Corporation. Kahului...the next one is Kahului Civic Center and Mixed-Use Complex, that's...developer is Hawai'i Housing Finance and Development Corporation, the HHFDC. The next developer [*sic*] is Kuikahi, also known as Wailuku Affordable Housing Project by...by the Betsill Brothers. Wailuku Apartments, the developer and representative is Linda Schatz. Kawaipapa, also known as the Hāna Affordable

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Housing Project, the developer is Habitat for Humanity. Next one is Hokuao Homes, the developer is Pūlama Lānaʻi. Next is East Waipuilani Village, also known as Ala...Alakai Apartments. The developers are the Betsill Brothers and Vince Bagoyo. The next one is Hale Kaiola, the developer is Hale Kaiola Joint Venture. The next one is Hale O Piʻikea, Phase I, the developer is Ikenakea Development. Next one is Kaiaulu O Halelea, developer is Ikaika ʻOhana. And the next one is Liloa Hale, the developer is Liloa Senior Housing LP. Next is Kaiulu o Kūkuʻia, also known as Keawe Street Apartments, and the developer is Ikaika ʻOhana and HHFDC. Next is Pulelehua, the developer is Maui Oceanview. Next is Waikapu Country Town, the developer is Waikapu Properties. Next is 5th Street Project...5th Street Lānaʻi, that's the County of Maui. And the next is Hale O Piʻikea, Phases II and III, the developer is Ikenakea Development. And the last is Kameolo...or Kamaʻole Pointe Condos, developer is Kamaʻole Pointe Development. So today's presenters are all members of the project development teams, and I can attest to the direct knowledge and expertise of their respective projects. Rather than designate each representative a resource...a resource person individually, in the interest of time, and if there's no objections, we will regard them as designated resource persons under Rules 18(A) Rules of the Council as they introduce themselves. No objections?

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR JOHNSON: Okay. Thank you. We will entertain priority questions from the Members after each presentation. So let's begin with our first five-minute presentation with Hale Pilina, followed by the Kahului Civic Center and Mixed-Use Complex. So the folks at Hale Pilina, the floor is yours.

MS. NUNOKAWA: Aloha. Hau'oli Makahiki Hou. This is Kari from Munekiyo Hiraga. Namaste. I would namaste on vacation if I could. Just kidding. But welcome back to everybody. And if I can share my screen, Chair, is that okay?

CHAIR JOHNSON: Certainly. Staff, if you can give her permission.

MS. NUNOKAWA: All right. Are you able to see my screen now?

CHAIR JOHNSON: Yep. We can see it loud and clear.

MS. NUNOKAWA: Okay, perfect. So aloha, Council Chair...Committee Chair Johnson, Vice-Chair Molina, and Councilmembers, I'm Kari Luna Nunokawa from Munekiyo Hiraga. And on behalf of the Hale Pilina Family Affordable Rental Housing Project team, we would like to extend our gratitude for the opportunity to present the project to you today. On the call, we do have Jeff Furuta, Thelma Akita-Kealoha from Catholic Charities Maui, and also Grant Chen from Hale Maha'olu. So again, the project team...the project is being developed by Catholic Charities Housing Development Corporation, CCHDC, under Catholic Charities, Hawai'i. The Project Manager is GSF, LLC. Architect and engineer, M&A Hawai'i, Inc. The contractor will be the Arisumi Brothers. Traffic engineer was Austin, Tsutsumi & Associates. The landscape architect was AGY, LLC. Cultural Surveys, Hawai'i was...did the archeology

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for the project. Once built, the property manager will be Hale Maha'olu, and Munekiyo Hiraga, we helped with the planning. So again, outlined in yellow here is the project location, it's located in Urban Kahului, the old Maui Swap Meet site. It is vacant as we speak now. So this is South Pu'unene Avenue to the east, Kaulawahine Street to the west, and just about half a block away is Kamehameha Avenue, here. And outlined in red, is the Kahui Lani Senior Affordable Housing Project. And the reason we outlined that property site, GSF, LLC was also the project manager for that. And you can see it's in very close proximity to Queen Ka'ahumanu Center, UH Maui College, the new Maui bus hub, and a lot of different businesses and infrastructure very close by. This is a closer look at the project site map; so again South Pu'unene Avenue on the east, Kaulawahine to the west. We have Alehela Street, so there's some private residences here, and then just about half a block away, Kamehameha Avenue. And we do want to stress that there are bus stops right along here on Kamehameha Avenue, so very close in proximity. There are bike lanes and sidewalks as well. So the project will consist of four three-story residential buildings, 108 one-bedroom units, 12 of which are ADA compliant; 70 two-bedroom units, 11 of which will be ADA compliant. And I do want to note that all of the units can be retrofit to ADA standards. So if there...there is a need for more, that can be done as well. And then an additional two-bedroom ADA compliant resident manager unit. There will be a private park for residents, a multipurpose room for residents to use, laundry facilities in each building, 250 parking stalls for 179 units, PV carports in the parking lot, landscaping, and utilities. And the project is available to households earning up to 60 percent of the HUD area median income. And as I mentioned before, Hale Maha'olu will be the property manager. So in 2021--I can't believe we're 2022 already--the 60 percent of the HUD area median income for Hawai'i; for one person, the income limit was \$43,440; for a two-person household, \$49,620; and then so on. And the unit size, the max gross rent earning at 60 percent of the AMI for one-bedroom was 1,163, and for a two-bedroom, 1,395. And we say max gross rent because families...this is a family project, they'll be able to utilize a utilities voucher. So that will help to lower their costs monthly. This is what the project will look like once built out. The four buildings, so we have Building B, which is running parallel to South Pu'unene Avenue here. At the top we have Building D, which will be next door to the old Kahului Post Office here...I shouldn't say old, the Kahului Post Office here. We have Building C, which will be running parallel to Coach Spencer Shiraishi Memorial Pool, and then Building A, which will be set back further from the property line. And that's really to help create that buffer for the single-family residence homes that are on Alehela Street. This is the private park area, and the main entrance will be off of Kaulawahine Street here. We do want to point out there will be a right in, and right out only on South Pu'unene Avenue, and there will be design measures to really restrict that left turn, any...any illegal left turns happening into the project or out of the project as well. . . .(timer sounds) . . .

CHAIR JOHNSON: Ms. Nunokawa, that's...that's your five-minute time.

MS. NUNOKAWA: Okay.

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CHAIR JOHNSON: If you...we have a lot of presenters, I beg your pardon, but if you want to summarize, that would be wonderful.

MS. NUNOKAWA: Sure. So thanks. Thanks for letting me summarize. You guys have seen what these buildings look like, we've presented to you in the past. Really, the...right now, they're...they'll be going out for funding for Phase I, HHFDC was unable to provide us as much funding as...as they would have liked. There was hardly any...I think any money this past year. So they'll be going out for Phase I funding in February, and this Maui County Affordable Housing Fund, which you guys so graciously granted as a Council, will definitely help them gain some points there. But that's their pro forma. Hopefully, if everything goes well, the target construction start date will be quarter four of this year, or quarter one 2023.

CHAIR JOHNSON: Wonderful. Okay. Thank you for that quick summary. Member...if you wouldn't mind shopping...stop screen sharing. Thank you. Members, do we have any questions for Ms. Nunokawa? Okay, we do have one from Councilmember Sugimura. Go ahead.

COUNCILMEMBER SUGIMURA: Thank you. From that last slide, so you're looking for \$85,000, is that what that meant?

MS. NUNOKAWA: Oh, the pro forma funding, it was 85 million, which was presented --

COUNCILMEMBER SUGIMURA: Oh, 85 million.

MS. NUNOKAWA: -- as the total cost for the project. Yeah. *(Audio interference)*

COUNCILMEMBER SUGIMURA: So were you short because of...I'm sorry. Were you short because HHFDC funding was...was not available? And how much --

MS. NUNOKAWA: You know, I do have Jeff Furuta, who's on the call, and he can talk specifically to the funding. If he can be unmuted, that would be great at this time.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR JOHNSON: Sure. Mr. Furuta, are you on the call?

MR. FURUTA: All right. Thanks, Chair. Thank you, Councilmember Sugimura, for the question. Yes, we did go out for funding last year, and we were denied funding. So that 84 million, again, that's based on two projects, so Phase I and Phase II...so two buildings apiece. We only went in for funding for the first phase, the first two buildings, and we were not...you know, we were not approved for funding. So we'll be going in again this February for roughly...I'd say roughly \$43 to \$45 million. Again, we're relooking at our numbers because of the...you know, the supply chain demands and things that are causing trouble with pricing and things right now.

COUNCILMEMBER SUGIMURA: So are you going back to HHFDC? Is that what you're --

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MR. FURUTA: Yes.

COUNCILMEMBER SUGIMURA: -- doing?

MR. FURUTA: Yes. All of...all of our funding will be coming through, again, the Affordable Housing Fund and HHFDC.

COUNCILMEMBER SUGIMURA: Thank you.

MR. FURUTA: Thank you.

CHAIR JOHNSON: Thank you, Councilmember. Thank you, Mr. Furuta. All right. I appreciate your presentation, member...Ms. Nunokawa, and I...I thank you for your time. All right. We're going to move on to...oh, we do have...oh no, I'm sorry, Shane's just waving goodbye. All right. Thank you. We do it...we're going to move on to the next one, which is Kahului Civic Center and Mixed-Use, followed by the Kuikahi, also known as Wailuku Affordable Housing Project. So next project, next presenter. And we got Mr. Chu, is that right? Okay, aloha. The floor is yours. I'm sorry, we can't hear you, are you muted? Still not hearing anything. Staff, on our end, are we...did we unmute him? It looks like we're...it looks like it's unmuted on our end.

MS. STEWART: Chair, this is Alison. He is unmuted on our end.

CHAIR JOHNSON: Okay, now I see a little red...okay, say something now, Mr. Chu. How's that? Oh, can't hear you. Well, if we can't hear you, we'll go on to the next presenter and then come back to you, and maybe you can sort that out. I see you nodding your head, does that work for you, Mr. Chu? Okay, aloha. Thank you. We'll be back to you in just a moment. So let's move on to the Kuikahi, also known as the Wailuku Affordable Housing Project. Folks, are you here?

MR. CARNICELLI: Aloha, Chair.

CHAIR JOHNSON: Mr. Carnicelli, welcome, welcome. Okay, so --

MR. CARNICELLI: Thank you. Actually, Chair...or Chair, I...I'm actually presenting on three separate projects, and so I'm just going to combine them all in one presentation, if that's okay with --

CHAIR JOHNSON: That works great --

MR. CARNICELLI: -- you and the Committee?

CHAIR JOHNSON: That works great.

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MR. CARNICELLI: Because we'll just...we'll just bang them out. I was told five to seven minutes, so I'm going to jam as quick as I can to get through all of these. If you let me do a share screen, I believe...can you guys see that?

CHAIR JOHNSON: We can see it.

MR. CARNICELLI: Okay, hang on, let me go like this. Is that cool? You guys got it?

CHAIR JOHNSON: Yep.

MR. CARNICELLI: So...okay.

CHAIR JOHNSON: If you can make it so...can you make it so it's...you know, does the full screen, or whatever that is, because we can see all of the --

MR. CARNICELLI: That's what I...oh, I see. I'm doing it on the wrong...hang on. Stop that. Let's see if I can do this. This going to my time? How's that? Is that better or no? No, that's not better.

CHAIR JOHNSON: No, that's it. You got it. Perfect.

MR. CARNICELLI: Oh. Okay, now you've got it. Is that it?

CHAIR JOHNSON: Yes.

MR. CARNICELLI: Ah, okay. There's the team. I'll just kind of skip through some of these here. Alaula, as most of you know, is the light of the new dawn, which we kind of look as a metaphor for giving families a new opportunity. At Alaula, we're kind of guided by listening...because we feel that action is more important than words, innovation is better than the status quo, and that home ownership can really change a family from...for generations to come. So we're really committed to doing 100 percent for-sale neighborhoods. I know there's a lot of people here doing...doing the for-rent stuff at the really lower AMIs, and that's super noble work and we appreciate all what they're doing. We're focusing on for-sale neighborhoods, and we really want to make sure that our local residents are the people that are getting these homes. And...and really, you know, there's...part of the innovative part of it is we feel like that there's design principles that we're trying to take advantage of to help affordability happen. So if you look at the...what's called now the missing middle, if you look over here on the right-hand side, you have single family detached homes, and then you've got condos, right. And there's this whole slew of middle housing that really is missing. And...and this is what's being used all around the country right now to address affordable housing. And that's really what we're trying to focus on, is looking at things differently. Foreign Base Code is broken, again need to do things differently, even in the community plans. The Long Range Filing Division, Pam Eaton and the staff there, they're even focusing on trying to do things differently. You guys have all heard the term smart growth, so that's really what we're doing. So starting with Hale Kaiola, that's our first project. It's again, 100 percent for-sale...for-sale workforce housing, 20

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buildings, 40 homes located in North Kihei. This is the very first project ever done with the 2.97 process, and we're currently taking applications right now for our lottery, which will be March 4th. So if you guys want to look at timelines, again, affordable housing...oh, let me go back. We started looking at this project in early 2019, and we will...we have projected move-ins for late this...this year, so it's almost like a four-year process, start to end, to...to try to get for-sale affordable housing done here on Maui. Our target markets, so if you look at the number of homes, we have 12 two-bedroom, one baths; 23 twos; and then 8 more three-bedroom, two baths. And you look at our sales prices here on the far right-hand side, starting at 390, up to 599. And I'm going to pause right here and...and...and address something specifically. I want to apologize to Councilmember King and...and Mike Moran at KCA. When this project was originally proposed a couple of years ago, you can see the...the prices that were originally proposed here, started at 295, going up to 6 and a quarter. And as you guys are acutely aware, inflation has...has crippled the economy...not crippled the economy, but it...it's really hit the economy hard. We've got supply chain issues, material costs have gone way up, labor costs have gone way up. And we work on a really, really tight margin. And we had to shift our sales prices up less than 10 percent. We're really proud of the fact that it only had to go up 10 percent. And we're also really proud of the fact that we're still below the top end of the ranges of...of what the AMI tables are. But what we did is we did this...and we didn't actually share this with...with Councilmember King, we didn't share it with Mike Moran and the community, we didn't communicate really well. And when it came out at 390, some people were caught off guard. Councilmember King, who's a huge proponent of affordable housing, and so is KCA, has been really a proponent of this project and, you know, just a few weeks ago talked about how this project's coming out, it's at 290, and then we came out at 390. So Councilmember King, I just want to personally apologize for the fact that that happened. I think that it's still a really good project. I think all the bones are still there. The fact that we're still, you know, under the prices of...of...of what most of the projects are, we're really proud of. And the fact that we were able to really beat up our...our subcontractors, and we try to order materials ahead of time and everything like that, to...to only raise things less than 10 percent is...is something that we're...we're proud of in that. So still moving forward, and we're looking to get, you know, 40 families into homes here by the end of the year. Next project is Hale Waipuiani . . . *(timer sounds)*. . . Hale Waipuiani is, again, 100 percent for-sale workforce housing, 28 mixed-use homes, it's in Central Kihei, in fill. We're on our sixth iteration of this project due to just community outreach; KCA and the neighbors' and neighborhoods' concerns and everything like that. So we're...we...we've redrawn this thing six different times. Vince Bagoyo will be submitting our 2.97 application later this month, and after that, we go to the Maui Planning Commission. We're looking, if you look at timeline, hopefully winter of 2024, where we can have families moving in there. Here's where the location is, Central Kihei. Here's a little bit of a closer look. You can see right in the center there is the project site just along South Kihei Road. You've got East Waipuiani across here. This is...the next section of the North South Collector Road is going to be right here. The...the Pi'ilani Highway's up here. This red line is the 3.2 SLR-XA line, which I think you're all familiar with. Here's a...a view of the project site itself. Again, mixed use, you've got one-bedrooms, two-bedrooms, three-bedrooms, and townhomes in this. Lots of cool

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features as well. Here's just some...some quick renderings, so you can kind of just get an idea of what some of the homes would look like. And this is the part that's kind of...we talked about trying to be innovative, trying to be...do something different, and try to think outside the box. So we've been talking to Jeff Gilbreath and his team at Hawaiian Community Assets almost, I would say on a weekly basis, since, like even the start of the Affordable Housing Comprehensive Plan. And what this is...what this proposal is, is that Jeff and his team came up with that we worked with them on, is...is a down payment assistance income targeting pilot program. And what this would do is really try to hit that demand that, you know, Stan Franco was talking about, right? Is...is to try to say, hey, can we do something to hit those AMI categories in a way with which is really going to help families. And if you look at the very last sentence of this whole thing, I'm not going to read it all, but it says this approach will reduce the estimated mortgage payments of principal, interest, taxes, and insurance, by as much as \$1,572 per month. So this is kind of exciting. If you look at...this is a lot of numbers, and we've got a short amount of time. I put the arrow here at the middle. So this is what the concept behind this is, is that we would come and we would try to target these income levels via a down payment assistance grant from the County. Completely conceptual. Department of Housing and Human Concerns isn't even aware that we've been trying to do this. We might catch some people off guard with this, but it's something that we're really excited about, and we think that it's...it's something that we could really work with you guys on, to see if we can get some of those lower AMI categories hit with...without huge burdens to...to the County and the taxpayers. Next one is Kuikahi Village. This is the view from...it would be just below the water tank here, this is the view from Wailuku Heights down, and that's where the neighborhood would go. Again, 100 percent for-sale workforce housing, 202 mixed-use, different kinds of homes. There's six different types of homes. Going to be six parks with connected walk paths all throughout the...the...the neighborhood. It's just below Wailuku Heights, like I said. And we have done our draft EA. We look for an anticipated FONSI in submitting the EA this month. And unfortunately, because of timing and everything like that, we're not going to get in before budget, so the infamous waiting until after budget. Here's where the project's located. If you look at...right along here, this is the Honoapi'ilani Highway, obviously, Kehalani, Wailuku Heights right here. This...this road right here is Kuikahi right there, and then if you look, it connects with Kehalani Mauka Parkway, that little intersection right there. Here's a little bit of a closer...again, Kehalani Market Parkway, Kuikahi Drive, and this is the project site right there. Here is the site map. And again, mixed-use. The purple is the connective walk paths between the parks, the orange is the spot parks that are all throughout the...the project. Six different home types, all up here on the top. Oh, by the way, this is turned sideways. If you look at Kuikahi Drive is now going side-to-side, rather than up and down. Sorry. Up here at the top, this is going to be your multifamily. We also have in this area right here in the center are...it's kind of like a courtyard setting of duplexes and townhomes. We've got single-family, we have studios. And then this is...this is a home that I'm actually kind of excited about, it's called the Live Work. And the impetus behind that is to try to see if we can...it's kind of like the, you know, the version of an 'ohana. Can you...can you help families out with income? Is there a way with which income can happen? So that's the Live Work homes. Here's the...again, the mixed use. We have multifamily, duplex, townhomes,

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Live Work, studios, and then we...single-family. And again, the income group distribution. We're looking at again working with HCA on the Down Payment Assistance Program for this project as well to see if we might be able to hit some of our *(coughs)* excuse me, lower AMI groups. Here's just...again, conceptually at this point, this is the multifamily, the duplex, the townhomes, Live Work, studios, and your single-families. So the roundabout is at Kuikahi Drive and Kehalani Mauka Parkway. This is the only off-site improvements that we have on the project...or that's proposed for the project, is the roundabout. And you know, when Councilmember Johnson's staff reached out and said, you know, is there...is there are ways with which we might be able to help out the project, I know that Councilmember Kama, her Staff has reached out to us as well, is...you know, is there something that we could do. And you know, we've told you guys all along that if...you know, we would like...you know, we...we don't hit the tops of the AMIs, we try not to hit the tops of the AMIs. We really try to...to...to work on just a...a small margin, and if there's a way with which the Council and the County wanted to try to participate with the off-sites and put in a roundabout here, again, this is makai coming mauka of...of this. We...we...we've been told that the estimated for that to build out on this is probably about \$1.8, \$1.9 million. And so you know, if there's a way with which the County wanted to participate with us in that, and that we would be able to pass on those savings to...to homebuyers, we're open to that discussion as well. And that's all I have, Chair.

CHAIR JOHNSON: All right, thank you, Mr. Carnicelli. All right, we do have a question for you from Councilmember Paltin. Feel free, go ahead, Councilmember.

COUNCILMEMBER PALTIN: Thank you, Mr. Carnicelli. My question would be on the last project, the Kuikahi one. You haven't gotten the FONSI for the draftee. I just was wondering, in the original picture that you flashed up of the location, there was a lot of possibly, I guess, ag land surrounding the proposed site. Is the same owner the owner of that surrounding land, and is it something similar to like maybe, you know, what Peter Martin did in the past with segmentation, or is the surrounding lands set to be dedicated as important ag lands? Or could we expect this to be just Phase I of future buildouts?

MR. CARNICELLI: Thank you for the question, and that's a...a good concern, a nice observation. The entire parcel is zoned ag. This is 14.9 acres of this. As you know, the rules have changed, and there's...for one, there's...there's no future phases coming, or in the works, or anything like that. Down below is...is DHHL...at the bottom, is DHHL. So you know, you could say like that's something that's...that's coming, but there's nothing else coming beyond that. The LUC has made it very clear that if anything else were to happen on that property, that it...you know, it wouldn't get the same 15-acre exemption as...as...as what this does.

COUNCILMEMBER PALTIN: So no need for DBA because it's under 15 acres?

MR. CARNICELLI: That's what we've been...yeah, that's...that's where it's coming, correct.

COUNCILMEMBER PALTIN: And would this be hooking up to County sewer?

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MR. CARNICELLI: Yes.

COUNCILMEMBER PALTIN: Okay. All right. Thank you, Chair.

CHAIR JOHNSON: Okay, we have a question from...thank you, Councilmember Paltin. We have a question from Councilmember Kelly King.

COUNCILMEMBER KING: Thank you, Chair. Aloha, Lawrence, thanks for that explanation of those three projects. And I do...you know, you guys have sent me a lot of information about Hale Kaiola, so I do get what's happening with the inflation. What I don't get is when you're saying it's only raising 10 percent, the difference between 295,000 and 390,000, that's more than 10 percent. Because 200...10 percent would be basically about 30,000 increase.

MR. CARNICELLI: Yeah, I...I...is...when you look at the overall price, sales prices of the project top to bottom, you know, the gross sales on everything is...the increase in total is less than 10 percent for those homes that were going to be, you know, yes, that is greater. There's some that actually came down a little bit. There's some that went up. And you know, we did have to make a really difficult decision. You know, we're --

COUNCILMEMBER KING: Oh I understand, I just...I just wasn't sure.

MR. CARNICELLI: Okay.

COUNCILMEMBER KING: When you were talking, you only said 10 percent. So I...I get it. It's the overall. And...and then my understanding was that the choice you made, was you could have started at 295, but you'd only have about four homes at that rate, and then on...in the middle and...and higher end, those would be...all be higher.

MR. CARNICELLI: Correct. We would have had to raise everybody else's...everybody else's price somewhere between \$10,000 and \$12,000 each for the rest of the 36...36 homes.

COUNCILMEMBER KING: So this way, you kept kind of average...the average price of the home was lower.

MR. CARNICELLI: Correct.

COUNCILMEMBER KING: Okay. All right.

MR. CARNICELLI: And...and again, I just want to apologize. We should have communicated that way better than just, you know, a...a splash. And...and you know, that's a lesson...lesson learned.

COUNCILMEMBER KING: Yeah. Thank you. Thank you. I appreciate that. And then where...where you have a notice out that we can share with folks who want to apply for the lottery that's coming up, so you're...you're accepting applications?

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MR. CARNICELLI: Yeah. Thank you. Alaula.org. A-L-A-U-L-A.ORG is the website.

COUNCILMEMBER KING: So they just send an email...email an application? The application's on your website?

MR. CARNICELLI: It's a fillable PDF. Unfortunately, there is a notary part...portion of it. So you do still have to print it. You can submit it online, or you can drop it off to Maui Fine Island Properties at the Ka'ahumanu Center. So thank you for that.

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

CHAIR JOHNSON: All right. Thank you, Councilmember King. We have a lot of questions for Mr. Carnicelli, so I'm just going to do the list here. We got Councilmember Shane Sinenci, followed by Councilmember Sugimura, followed by Councilmember Kama.

COUNCILMEMBER SINENCI: Oh, thank you, Chair. Yeah, Member King had answered my question. Thank you.

CHAIR JOHNSON: Okay.

COUNCILMEMBER SINENCI: Thank you, Lawrence.

CHAIR JOHNSON: All right. Councilmember --

MR. CARNICELLI: Thank you, Councilmember.

CHAIR JOHNSON: -- Sugimura?

COUNCILMEMBER SUGIMURA: Happy New Year, Lawrence.

MR. CARNICELLI: Happy New Year. Namaste.

COUNCILMEMBER SUGIMURA: Namaste. So interesting enough, right, you're very creative, so you have your down payment program, or you're working on. So how does that work in terms of your...the...the...the project? I didn't understand.

MR. CARNICELLI: So you know, when I testified a couple of weeks ago in the...in the project, essentially the...the impetus, the...the...the thought behind it is, give the money to the buyers.

COUNCILMEMBER SUGIMURA: Oh.

MR. CARNICELLI: So you know, the price is this. There's a down payment assistance program that comes in, and it brings it down, let's just say \$86,000. So the price isn't...to the buyer, it's this, right? You guys come in with the assistance program. I think another meeting, you know, we should have...we...we...we should talk about,

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you know, what the...what would happen with that down payment assistance money and things of that nature. But yeah, it's the...it's a buy-down of the price for the buyer.

COUNCILMEMBER SUGIMURA: Okay, I...I remember that. I understand.

MR. CARNICELLI: Okay.

COUNCILMEMBER SUGIMURA: Thank you.

MR. CARNICELLI: Yep.

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

COUNCILMEMBER KAMA: Thank you, Chair. So thank you, Lawrence, for your wonderful presentation in the time that you did it in for three projects. So do you anticipate the...the housing costs to stay until the development is completed and the homes are sold at that price?

MR. CARNICELLI: Honestly, no. I mean, I think we...you know, I got to get my crystal ball out. But you know, does it look like inflation is going to hold? Probably not. You know, one of the things we did at Hale Kaiola is we just had everybody order everything now. I mean, just...you know, supply chain prices, everything like...you know, just...so we're trying to do everything we can to expedite projects and get things moving as fast as we can. Do we anticipate things holding? No, but again, we're trying to start below the AMI table, so we don't pop out of them, and we can still move forward with the project. So we try to start...you know, we tighten our...our belts at the beginning, hoping that we can stay there.

COUNCILMEMBER KAMA: Thank you for your honesty. Thank you. Thank you, Chair.

MR. CARNICELLI: Oh, did Gabe freeze up?

COUNCILMEMBER SUGIMURA: Gabe is frozen.

COUNCILMEMBER KAMA: Who is his Vice-Chair?

COUNCILMEMBER KING: Mike Molina.

MR. CARNICELLI: Mr. Molina is.

VICE-CHAIR MOLINA: Yeah, okay, go ahead. For the record, I'll be facilitating until we get Affordable Housing Chair Johnson back online. Members, we have Mr. Carnicelli for any additional questions regarding his presentations? Okay, I see Member King. Go ahead. Questions for Mr. Carnicelli?

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COUNCILMEMBER KING: Thank you, Mr. Chair. Oh, I see our other Chair. You know, my...my internet's been going in and out too, so I think it's...there's some weak links around here. But so Lawrence, just one other quick question. Because you guys are doing a lot of projects, are you at all looking into any potential local construction materials? Are you interested in that? I think that's like a *(audio interference)* because you know, we're starting to talk about hemp, and bamboo, and things like that, and just wondered if --

MR. CARNICELLI: I think that would be fantastic. No, I think that would be fantastic. We even looked into you know, prefab. As a matter of fact, part of what Hale Kaiola is going to be is prefab. You know, so the same thing. We're open to anything. There...there's nothing off the table for us. So yeah, grow some more hemp over there in...in Waikapu, and we'll partner up with you guys to make some hemp products. That'd be great.

COUNCILMEMBER KING: Okay. Well, I'm...I'm talking to, you know, David Sands, because he's been building bamboo homes, but he's been importing the bamboo. So he wants to start growing it here. So --

MR. CARNICELLI: Oh, great.

COUNCILMEMBER KING: Yeah, so there could be a *(audio interference)*. I just wanted to see what the interest level was. But thank you for that.

MR. CARNICELLI: Mark Deakos is knocking on my door, too. So you know...you know, Mark's...Mark's all about that too, so...

COUNCILMEMBER KING: Yeah, Mark's great.

MR. CARNICELLI: Yeah.

COUNCILMEMBER KING: Okay. Thank you.

MR. CARNICELLI: Thank you.

VICE-CHAIR MOLINA: Okay, thank you very much, Member King. We have a question for you, Mr. Carnicelli, from Member Kama. Proceed.

COUNCILMEMBER KAMA: Thank you, Chair...Vice-Chair. So you know your FONSI, their findings have no significant impact, do you expect that to hold when you actually go before SHPD?

MR. CARNICELLI: We do, we do. Is...is yeah, we feel as though we've...we've done our due diligence. We...we feel like we've, you know, really done a thorough and complete job, and we actually meet with Ahu Moku council either later this week or next week, you know, and...and we're going to discuss some...some items with them, and make sure that they're okay with everything before it gets...the...the final draft gets submitted.

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COUNCILMEMBER KAMA: Thank you. Thank you, Chair.

VICE-CHAIR MOLINA: Okay. Thank you very much, Member Kama. Members, any other questions for Mr. Carnicelli as it relates to his presentations? Okay, seeing none, very good. Thank you very much, Mr. Carnicelli. Appreciate you taking the time to provide us an update on all of your projects.

MR. CARNICELLI: Thank you, everyone. Happy New Year.

VICE-CHAIR MOLINA: Right. Thank you. Before your Vice-Chair proceeds, Ms. Stewart, what is the status of Committee Chair Johnson at the moment?

MS. STEWART: Member Molina, I do not have an update at this time.

VICE-CHAIR MOLINA: Okay. All right.

MS. STEWART: So if you could continue, please. Thank you.

VICE-CHAIR MOLINA: Okay, no problem. All right. We'll continue with our next presentation. I believe that's the Wailuku Apartments, and presenting will be Ms. Schatz, if I'm correct? Ms. Schatz, if you're there, can you please proceed with your presentation. And I believe Committee Chair Johnson mentioned, I believe, it's five minutes. And upon the completion of your presentation, then I'll open the floor up for questions from the Members. So please proceed.

MS. SCHATZ: Yes, hi. Hi, everyone, my name is Linda Schatz. I'm the owner's representative for Wailuku Apartments. Are you able to see my screen right now? I just want to confirm. Okay, great. This project is actually located along Kuikahi Drive. It borders...the border streets are Waialae Road and also Honoapi'ilani Highway. We're actually directly across from the Kehalani Village Center where the Foodland is. It's a 14.4-acre parcel here, located in Wailuku. The project is currently designed to have...it's a 201H project, and it's designed with 324 residential units, with nine residential buildings. The mix includes a combination of studios, one, twos, and threes. We actually have 195 deed-restricted, affordable units for 30 years. These are all rentals for the entire project, long-term rentals. And we meet the 2.96 target requirements for the 201H component. So about 165 of our units will be 80 to 120 percent AMI rents, which I believe in Jeff's study, that is one of the larger target groups in addition to the 80 percent and below AMI rental units. The project also includes the remaining balance of 129 market-rate units, a recreation center that's about 4,500 square feet with a swimming pool, fitness center, yoga room, and resident lounge open to all residents. We also have four park areas, and approximately 660 stalls, roughly two stalls per unit. The site plan--and it's a little light, I apologize--but this is the overall site plan, where Kuikahi borders here on the right side, Waialae down below, and you'll see the rec center located here. There's an ingress and egress on Kuikahi and Waiale, and nine residential buildings that are three stories tall. There are 36 units in each building, and they actually cascade from the top of near

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Honoapiʻilani Highway, all the way down. There is an 80-foot slope drop from the top to the bottom of the site. And this is the...currently the...the floor plan for each building that you'll see. So a mixture of the studios, ones, twos, and threes. We are currently in design and permitting. We started this project in 2016, a long time ago, and was designing the project. We hit COVID and a bunch of other things, so financing was very difficult. But just recently, in October, we were able to secure an interested investor who would provide us the equity and the debt, and it's actually AFL-CIO pension money. So we are currently in design and permitting. We hope to get our permits pulled by August of 2022. We actually hope to start initial mass grading in May of 2022, this year, and we hope to deliver first rental units in the fourth quarter of 2023. We are undergrounding a open drainage system, and if you can see on the site, there's a little dark line here on the site. It's an open drainageway for the Kehalani masterplan. We will be undergrounding this in the project, and so the...the amount of site work is pretty extensive and therefore, taking a little bit longer to complete the site work. But we do anticipate having those first rental units at the end of 2023, and project completion of all 324 units by the second quarter of 2024. Well, that's rough...that's roughly my presentation. It's pretty quick. Any questions you may have?

VICE-CHAIR MOLINA: Okay. Thank you very much, Ms. Schatz. And I see our Committee Chair Johnson is back online. If you're...you're coming in loud and clear, Mr. Johnson, I'll turn matters over back to you.

CHAIR JOHNSON: Thank you, Vice-Chair Molina. I really appreciate having an experienced legislator like yourself to help me during these...the technical issues I just had to struggle with. So being...that he said...once again, thank you so much. Members, do we have questions for Ms. Schatz and the project? We have one from Councilmember Shane Sinenci. Go ahead, Shane.

COUNCILMEMBER SINENCI: Thank you, Chair, and mahalo, Ms. Schatz, for your presentation, I'm glad that you are getting and got support for the project. I...I do know that recently you came to us about some infrastructural...and if...is there an update for the infrastructure, the pipeline to the project?

MS. SCHATZ: Yeah, good question. So we actually came to get an extension on our 201H because Lower Main Street needed to have a parallel sewer line installed in order to create sewer flow throughout the region. And that was actually stopping us from submitting...or it would have stopped us from getting permits. That CIP improvement was really far down, many years down to be improved. So we had a MOU with the County. They worked...the Mayor's office and DPW worked really well with us to form a...a public-private partnership, where we paid for the design and permitting of that sewer line. So we got that done. We did an EA, we got it permitted. It started construction, and I believe it's about to finish and be handed over to the County, which will allow for better sewer flow down on Lower Main, and will open up the entire region for additional housing opportunity. So that...that...that is almost done, and are we are very appreciative of the County and Council for having pushed that forward to...to allow our project and other projects in the area to go through.

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COUNCILMEMBER SINENCI: Oh, great. Thank you for that update. Thank you, Chair.

CHAIR JOHNSON: Okay, we have a question from you...or for you, from Councilmember Kelly King, as well as Councilmember Sugimura, Ms. Schatz.

COUNCILMEMBER KING: Thank you, Chair. Welcome back. Hi, Linda. It's good to see you. I just had a question. One of the concerns--because I was on the Council when the project first got passed--and one of the concerns we had was...because you have quite a few units was the elementary school. Have you recalculated, and...and have you been talking to the schools in the area to find out if it's going to be overpopulated with this population?

MS. SCHATZ: Yeah, I did talk to the Department of Education, actually, and also the CAS. So we had meetings with the facilities department, because we knew it was a concern of residents. They had told us that they...there was enough capacity in the area for our project as well, and they are looking at rebalancing the system. So we are actually currently now working on an agreement to actually commit to an impact fee that we're going to pay for additional construction of school facilities as they wish to expand in the regional area. So we're getting that agreement done with them as well and making that contribution. But they did assure me that they had the capacity to accept our project, because we knew that residents were concerned and had questions about that. And we checked in with Robin Loudermilk and Heidi Meeker from facilities at the Department of Education on that very issue.

COUNCILMEMBER KING: Okay, great. Thank...that's good to know, and I'm glad you guys are willing to pay that impact fee. What is...do you know what the capacity is?

MS. SCHATZ: Off the top of my head, I do not have that. I can provide that to you, and I will send that information to you folks in an email. I know I have a document in my email. Heidi had sent this to me maybe more than a year ago, actually.

COUNCILMEMBER KING: Oh, okay. All right. Thank you. Good to see you.

MS. SCHATZ: Good to see you too.

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

COUNCILMEMBER SUGIMURA: Thank you. Nice seeing you, Linda. Congratulations. Wow.

MS. SCHATZ: Thank you.

COUNCILMEMBER SUGIMURA: So I know that we were all kind of stumbling, including the Council, as we look at projects, because of COVID. But you look like you got past that, not that your project was, but just in general with HHFDC and the State funding.

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MS. SCHATZ: Yeah, at...at...yeah, I'd love to share a little bit of information. We did at one point try to seek funding through HHFDC. We were able to receive investors for tax credits, but the rental housing revolving fund and the private activity bonds were limited. And so we did not receive funding for that. But we had...because COVID, the situation was getting a little bit better, investors started to look a little bit more at projects, and especially on Maui, we were able to secure the AFL-CIO as an investor into our project to kind of save the day. And I'd like to say one last thing, which is that, you know, the State, HHFDC, works really, really hard to try to fund all of these projects. And there are more projects than they can fund. And I think the more that we can help them at the State legislature to convince legislators to put more money in the rental housing revolving fund would be a good thing because there's a lot of projects that definitely need it. We were fortunate to find an investor outside of that State funding, but I know other projects are waiting and ready to be shovel ready to move forward, but they...they need that State money.

COUNCILMEMBER SUGIMURA: Congratulations. Thank you.

MS. SCHATZ: Thank you.

COUNCILMEMBER SUGIMURA: Nice to see you.

CHAIR JOHNSON: Okay. Thank you, Ms. Schatz. Thank you, Councilmember Sugimura. I don't see any further questions, so thank you for your test...or your presentation. Very informative. Mahalo for your time.

MS. SCHATZ: Thank you. Mahalo.

CHAIR JOHNSON: Okay, I...I want to kind of bring up Mr. Chu. We...he...remember he...he dropped the call, or he was struggling with some technical and then so was I. So if you're on the call, Mr. Chu, are you ready? I see you turning on --

MR. CHU: Yes, can you hear me now?

CHAIR JOHNSON: All right. We got it loud and clear.

MR. CHU: Oh, okay. Request permission to share my screen?

CHAIR JOHNSON: Yes, certainly, feel free.

MR. CHU: Can you see the screens (*audio interference*)?

CHAIR JOHNSON: No, it's...we can see it loud and clear. Yep, you're ready.

MR. CHU: Yeah, can you see the screen that's shared?

CHAIR JOHNSON: Yes, Mr. Chu, we can see it.

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MR. CHU: Okay, great. Okay. Aloha, and good afternoon, Council Chair, Council Committee Chair Johnson and Councilmembers. Thank you for inviting the Hawai'i Housing Finance and Development Corporation to present to you the Kahului Civic Center and Mixed-Use Complex project. I'm Randy Chu, HHFDC Development Section Chief. Along with me here today is Sery Berhanu, one of our Housing Development Specialists. The Kahului Mixed-Use complex is a collaboration between Maui County, the State Department of Accounting and General Services, DAGS, and HHFDC. In 2018, an MOU was executed between the parties for the development of a mixed-use project consisting of a new bus hub, affordable rental housing, and a State civic center. Pursuant to the MOU, the State is allowing the bus hub to be constructed on an approximately one-acre portion of the parcel, and in exchange, the County will provide a long-term lease to the State for the former post office parcel in Wailuku. We're very excited about this opportunity to provide much-needed affordable housing, and especially one that could further the County's goal for transit-oriented development. This slide provides an aerial view location map of the Kahului Civic Center Mixed-Use project site, and the future Wailuku State office building site in relation to the Kahului and Wailuku areas. This presentation will focus on the Kahului Civic Center Mixed-Use project, as the Wailuku State Office Building project will be developed in the future by DAGS. The Kahului Civic Center Mixed-Use project and future Wailuku State Office Building projects are located within the Ka'ahumanu Avenue Community Corridor project area. We believe these projects are consistent with the County's vision for the corridor. Here is a perspective view of the Kahului Civic Center Mixed-Use project, showing the project boundaries delineated by the yellow lines. The project is bound by Ka'ahumanu Avenue on the north makai side, Hāna Street on the west, and Vevau Street on the south side, and is directly across the street from the Ka'ahumanu Shopping Center shown on the bottom right of the photo, and the Maui Beach Hotel, shown on the bottom left. This perspective view of the...of the project as viewed when looking east down Ka'ahumanu Avenue. The proposed conceptual multifamily buildings are depicted here as the tan buildings with the dark brown roofs. The tan-colored Civic Center building with the white roof is on the right of it. One feature that we would like to incorporate in the project is a sizable green setback along Ka'ahumanu Avenue, which is consistent with what exists in front of the Ka'ahumanu Shopping Center. The sizeable setback will provide a large open area, as well as attenuation of the road noise for the housing component of the project. Here is a perspective view looking mauka of the conceptual site plan layout for the project. Again, the tan buildings with the dark brown roofs are the multifamily dwelling unit buildings. The tan building with the white roof is the Civic Center building, and the one-story, dark-brown-roofed building to the right of the Civic Center is the County's bus hub. Located across the street...of Vevau Street on the right side of the photo is a brown, open lot. This lot is the site of the recently constructed Kahului Lani Affordable Senior Housing complex. This slide shows the completed Kahului Lani Affordable Senior Housing complex buildings. Challenges: challenges for the project include funding and phasing. HHFDC's RFP will specify the selected developer to prepare the final master plan for the project site, and develop and construct the multifamily housing component for the project. DAGS will develop and construct the civic center component as a separate phase of the project, and

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provide all funding for the civic center fees. The County's bus hub facility is presently under construction, and will be completed this year. Entitlements: the project may require 201(H) approval, depending on the final design. The project is located in the Kahului Historic District. We are presently in consultation with the State Historic Preservation Division, SHPD, and the Maui Cultural Resources Commission, CRC, regarding the historical aspects of the project. The final master plan will need to consider SHPD's and Maui CRC's input. The project is in the SMA, therefore the selected developer will need to submit for a SMA permit for the final master plan. Appropriate density: the final design will need to take into consideration and incorporate both Maui County's and the community's input. At this time, I'd like to turn over the portion of the presentation to Sery . . . *(timer sounds)*. . . for project details.

MS. BERHANU: Thank you, Randy. My name is Sery, and I'm the Housing Development Specialist at HHFDC, and I'll be providing you with a little more detail about the project. So the project is located at about 5.57 acres of land, but however, .85 acres of that is for...dedicated for the Maui Bus Hub. If you go back a slide, Randy, they can see where they can see where the bus hub is located. Oh, sorry, if you can go back. There...so the...the...if you take away the...the parcel for the...for the bus, the actual acreage for the project is 4.7 acres, and it sits within the urban State and Land Use District, and is zoned B-2, which is business community. This zoning designation allows for a maximum height of 90 feet, and a maximum floor area of 485,533 square feet. The project's proposed at 150 to 300 dwelling units, and about 65...66,000 square feet for the Civic Center use, which includes offices for DAGS. The total floor area for the project we're proposing is 390,000 square feet. Next slide, please. So...Randy, can I have the next slide? Okay, thank you. Yep, I see it now...so yeah. No, go back one more. Sorry. Okay, yeah. So this is the conceptual site plan that was prepared for the draft environmental assessment, which is still in the works, and we're hoping that will be publishing sometime this month. So it proposes two structures for the multifamily housing, which is along Ka'ahumanu Avenue, and one structure behind the...the...the multifamily affordable housing for the Civic Center, which is at the corner of Kane Street and Vevau Street.

CHAIR JOHNSON: Ms. Berhanu?

MS. BERHANU: Correct.

CHAIR JOHNSON: I...I beg your pardon, I...I...I'm just going to interrupt real quick here, because we're kind of running short on time. Can you --

MS. BERHANU: Okay.

CHAIR JOHNSON: -- summarize your presentation in...in, you know, just a minute or so to summarize them?

MS. BERHANU: Yes. Yeah, this is the last slide. So, yes.

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CHAIR JOHNSON: Perfect.

MS. BERHANU: So...yeah, so as far as the schedule goes right now, like I'm saying, we're in the EA process on 2022, and then we're going to proceed with the RFP selection hopefully this year, 2022, and then like Randy was saying, we'll proceed with...the developer will proceed with the SMA, and we're hoping to have construction completed in 2026. Thank you.

CHAIR JOHNSON: Okay. Thank you. All right. If you don't mind, stop sharing screen, and we can go with questions. And I already see Councilmember Paltin has a question for you. Go ahead, Councilmember.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Chu and Mister...Ms. Berhanu. I just was wondering if you knew if this property lies within the sea level rise exposure area of 3.2 feet sea level rise?

MR. CHU: Sery, can you please --

MS. BERHANU: Yeah, yes. Yes, it does. So we would have to work...I mean, that's one of the issues we have to address.

COUNCILMEMBER PALTIN: And would you address it by having the residences on the upper floors, with like room for the water to pass under the lower floors, or...

MS. BERHANU: So currently, like I'm saying, we're in the...we're working on the environmental assessment, and we don't have a developer yet, but yes, so, you know, we'll have to disclose that in...in the environmental assessment, and then the developer would have to come up with the appropriate solution.

COUNCILMEMBER PALTIN: And what would be the life expectancy of these buildings? Because I believe we're expecting one foot of sea level rise by 2050, which would be just, you know, 20...if you're...that would be like 25 years, maybe.

MR. CHU: Well --

MS. BERHANU: Well, we don't...I don't have an answer for that, but yeah, I mean, 50 years, generally, that's, you know, that's the way we think of a building. Randy, do you want to answer that?

MR. CHU: Yes, you know, to be where...we anticipate that the developer will be coming up with some strategies to deal with that. Our concept drawings actually indicate that the first floor for the housing facility is for parking, and so no living units on the ground floor, and we're contemplating that we may need to fill the site to adjust the sea level rise issues. The project will be based on a long-term lease to the developer, who will operate the property subsequently. So it's in his best interest to make something that's pretty hardy, that can account for the sea level rise.

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COUNCILMEMBER PALTIN: And these are all Crown lands; is that correct?

MR. CHU: No, it's not ceded land. This is State-owned land, non-ceded land.

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

CHAIR JOHNSON: Okay, Members, thank you. We're at that point of our ten-minute afternoon break, and I don't see any other questions. So I'd like to thank the presenter...presenters Chu and Ms. Berhanu. Thank you so much for coming out and speaking with us. And we're going to take a ten-minute break. So the rest of the...the presenters, we'll be back at 3:11. So the Affordable Housing Committee of 1/3/2022 is in recess until 3:11 p.m. . . .*(gavel)*. . .

RECESS: 3:01 p.m.

RECONVENE: 3:14 p.m.

CHAIR JOHNSON: *[Audio begins mid-sentence]* -- of 1/3/2022 come to order after our afternoon break. The time is now 3:14. Members, we were going through quite...quite successfully through all of our presenters, and it's great that we're moving at a good pace, and we want to continue this pace in the afternoon. So I'll call up...the next group we have is the Hāna Affordable Housing Project, also known as Kawaipapa, and after that will be Hōkūao Homes from Pūlama Lāna'i. So we...we haven't...Ms. Dodson's on the line. Okay, the floor is yours. Aloha.

MS. DODSON: Hi, hi. Good afternoon. I also have Gabe, another Gabe, Gabe Hoeffken from GTH on the line too as a resource. If I may share my screen?

CHAIR JOHNSON: Certainly.

MS. DODSON: Pulled up the wrong screen here.

CHAIR JOHNSON: There it is. Perfect.

MS. DODSON: Yeah. So I'm here to talk about the Hāna Affordable Housing Project, or better known as Kawaipapa. This is a project that...is it advancing? There --

CHAIR JOHNSON: We just...there, okay.

MS. DODSON: There. Yeah, it's a project in Hāna, it's approximately a little over 7 acres. It will be 100...it is set to be 100 percent affordable. The...the developer is GTH Land Company, which is really just Gabe Hoeffken. The owner of the property is Tom Hoeffken. Habitat is...everybody is referring to us as the developer, but we're really just the contractor to build the homes. All the homes will be sold to families making 80 percent or under medium income. HUD, for a family of four, medium income right now, is 82,650. The County of Maui's residential workforce, ordinate designates a family of four for Hāna as 56,340. We...the way we do our sales is we calculate the

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amount that the family will pay by calculating 30 percent of their total income to see what their monthly payments will be. And I kind of did a brief...you know, if the total income was at the median income of 82,650 or \$6,807 dollars a month, so their total housing cost would be 2,066, assuming \$200 would be for insurance and taxes, then their mortgage would be 1,866, for a total of 447,900. And this is at a zero percent interest. GTH Land Company was incorporated in 2015 for this project. Gabe Hoeffken is the president and director. As I said, Tom Hoeffken, his father, is...owns the property, and this GTH was created to develop affordable housing in Hāna. Gabe and Tom also own Tom's Backhoe and Excavation, which has been doing business for over 43 years on Maui. I think everybody knows pretty much everything about Habitat. This is kind of the floor plans. The earlier picture had actually the picture of our...our homes, what they kind of look like. This is the location of the project. It's along Hāna Highway. Right now it's just vegetation, is kind of what the current condition looks like. The timeline: 2012, the Hoeffkens decided to, you know, to do this affordable housing project. They hired Chris Hart and Partners, the environmental assessment was done, the 201(H) was applied for, and it was granted. All that happened up until 2017. Since 201(H) approval, a letter of intent was signed with us for the construction of the plans. Subdivision plans were submitted to Public Works, and preliminary subdivision approval was granted on September 28th, 2018 with conditions. And since then, Gabe and his father have been going back and forth with Public Works trying to get a permit. The only remaining issue is the drainage plan, and that is back in...my understanding, is back in the County's hands. We are...Habitat has not accepted any applications, but we do have an interest list. I think some of the delays with the County and with the...with the consultant have to do with COVID, and you know, the response time from the County. The consultants...you know...as you know, construction did not stop during COVID, so the consultants have remained uber busy. So it was...it's been very difficult getting these plans back from Public Works to the consultant engineer, and then back. On December 18th, we received...December 8th, we received a letter from the Department of Housing and Human Concerns, and the letter basically said that the 201(H) has been withdrawn, has expired, therefore our affordable housing...well, actually, it was instigated because Habitat applied for an extension of their grant from the Affordable Housing Fund. And the County said that they could not grant the extension because the 201(H) had expired. So as it stands now, we're back to ground zero. We do not have an extension from the Council of the 201(H), we do not have money for the project. So unless something is done . . . (timer sounds). . . with the County and County Council, the project's dead in the water, so...that's it.

CHAIR JOHNSON: Okay. Thank you, Ms. Dodson. Perfect timing. If you could stop sharing screen, we have some questions, and I'm sure Councilmember Sinenci, followed by Councilmember Molina, will have plenty for you.

MS. DODSON: Okay. Got to figure out how to...there we go.

COUNCILMEMBER SINENCI: Mahalo, Chair.

CHAIR JOHNSON: Okay, Shane.

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COUNCILMEMBER SINENCI: Yep, and mahalo, Ms. Dodson, for your presentation. Yes, we've been...Members, our office has been made aware of that letter that was sent by the Department about...of the 201(H) ending. So we do...for Friday's...we did create a reso to extend that we'll be presented to the Council on Friday's Council meeting. Thank you. And...and like Ms. Dodson said, we've been working with the developer, with just keeping tabs on it, and there has been...well, he can...he can he can go ahead and explain, we have Gabe on, but there has been some different challenges with the State as far as the highway and the drainage to the...to the property. Thank you, Chair.

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

VICE-CHAIR MOLINA: Thank you, Mr. Chairman. And good afternoon, Ms. Dodson. You mentioned in your presentation about the slowdown related to the County. Can you be specific as to what specifically were those slowdowns, which Department or Departments, and reasons given to you for the delays? Because I know the Council managed to operate even during COVID. Now, how that translates to other departments and the permitting I, just out of curiosity, would like to know.

MS. DODSON: I think there was a considerable amount of time, where everybody was required to work from home, and working from home means, you know, not having all your resources at your hands, you know, to...to do your work. You're not at your desk. You know, phone calls were made and messages were left, and they have to retrieve the messages. So, you know, certainly that delays things. You know, then it sort of gradually went into, I'm going into the office once or twice a week, and that kind of stuff. So I think in general, COVID slowed down...I mean, I know personally for our own office, we had a lot of people working from home, which tends to slow things down just a little bit on getting messages to people, and getting, you know, messages to the right people and so forth. The consultant, the engineer who was working on the project, you know, he was equally as...you know, he was busy, so he was equally as slow getting back to...to Gabe and Tom. It's...I don't want to assess all the blame on the County. It's...it's been a rough go for everybody, so...

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

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

COUNCILMEMBER KAMA: Thank you, Chair. Thank you for being here, Pam [sic]. So my question is, in your presentation, you said that two things were stalling the project. One was the expired 201(H) project and funding. So even if the Council does approve the 201 extension, are you still going to be in need of funding to be able to complete this project?

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MS. DODSON: I think that's probably a question for Department of Housing and Human Concerns. We did put in the extension in a timely manner, they just weren't able to grant it because Corp. Counsel looked and said, well, their 201(H) has expired, so you know, you can't have funding on a project where a 201(H) is expired. So I'm hoping that if the Council sees fit to extend the 201(H) for an amount of time so that we can get the permits needed, then Department of Housing and Concerns [sic] will relook at the extension and grant it. If not, then we have --

COUNCILMEMBER KAMA: That includes the funding. Pam [sic], that includes --

MS. DODSON: Yes (*audio interference*) previous funding, yes.

COUNCILMEMBER KAMA: Okay, so the previous funding that was allocated, is that sufficient? Even with the time gone by, and progress has been slow, and cost of materials, as we've just learned, is starting to increase. Are all those intact?

MS. DODSON: Yeah, it...it...it's not going to be nearly enough. I have not looked at the pro forma in a while, just because the project isn't, you know, near that point. But you're...you're absolutely right. The cost of everything...we continue to build for Department of Hawai'ian Homelands, and I've seen a...a...a steady increase in the cost of everything from our...our subcontractors to materials. So once we get to the point where we, as a contractor, start trying to figure out how much these houses are going to actually cost us, then we're going to have to come up with funding. We do have other sources of funding available to us. We are going to try to do some USDA loans out there. It's a perfect location for USDA. But as you can see, the median income out there is...is...is pretty low. So you know, to...USDA, you have to qualify with USDA. So we'll be working with all the families, seeing what's the best fit for them as far as, you know, whether... how much subsidy they're going to need for...to purchase the home.

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

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

COUNCILMEMBER SUGIMURA: Thank you, Chair. Boy, I tell you, congratulations for sticking it out, and...and...and, you know, working on this. I remember when this project was presented, and you've come a long way. One of the...one of the testifiers, I remember, as...when we were going through the approval, was 17 people living in a house. I don't know how many families that were...that...you know, that was, or represented. But...and I also remember Bob Carroll's wife, Geraldine, who never was at Council all the time, but never testified, she came and had this story about why it was so needed. So I'm glad that Shane has...you know, is...is following it. And I hope we can see this through, and I hope that we can be there for the Hāna community. Because I think this is a first, and it's so needed. So thank you very much. And Shane, good job. And you know, let's...let's do this. Thank you, Sherri.

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CHAIR JOHNSON: Yeah, I agree.

MS. DODSON: Thanks.

CHAIR JOHNSON: Okay, let's move on to Councilmember Paltin next.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you Sherri...Ms. Dodson. Member Kama asked my question. Thank you.

CHAIR JOHNSON: Okay, great. Ms. Dodson, I appreciate you coming out and giving us a presentation. I...the struggle is real, and you're preaching to the choir. We're trying to...we're all trying to help. That's why we had this meeting. So thank you once again.

MS. DODSON: I'll see you Friday.

CHAIR JOHNSON: Yeah, okay. All right. Next we are moving on to Hōkūao Homes, followed by...I don't know, I...I got to figure that one out, because I think we did Hale O Pi'ikea already. So let's start with Hōkūao now, and I'll let you know who's after that one. Pūlama Lāna'i, if you're on the call?

MS. DANCIL: Aloha, Councilmember Johnson, Vice-Chair Molina, Members of the Council. Hau'oli Makahiki Hou. Namaste. I am going to have Olivia (*audio interference*) share hers in the attempt that we're going to limit bandwidth. So we'll have two different computers. So hopefully things will go okay. Perfect. So hopefully you will remember a lot of the details, but I'll go through the required details that Affordable Housing Committee Clerks have informed us. Next slide please, Olivia. Just to familiarize you again with the location of the Hōkūao project, it is outlined in red here, Hōkūao, it's approximately 76 acres. The ingress and egress is off of Fraser Avenue, which is shown in the bold yellow line. Next door is the County housing project. Hopefully we can get that activated as well. It's right next to the city center, which is why we picked this location. Next slide, please. This is the Hōkūao conceptual site plan. I'm just going to point out some of the differences that we had since you've last seen this, and it was feedback from our application process. The major difference (*audio interference*) on both sides of the streets. So I just want to point out that we have incorporated that into the project. Next slide, please. So recapping on Hōkūao. It's a rental project that's available for people living and working on Lāna'i. It's 150 two-bedroom, two-bath, single-family homes for rent. The 76 affordable homes will be affordable in perpetuity, and the other 74 will be added to Pūlama Lāna'i's existing inventory. The other change that we did make is we are offering a garage instead of a carport, as you can see here in this rendering of the site plan. Lot sizes, again, are quite generous, starting at 8,000 square feet. Next slide, please. As Ms. Dodson mentioned, Hāna, Lāna'i, and Moloka'i have different guidelines from DHHC. We...our guidelines are adjusted from Maui County...I mean from Maui Island. And I just want to point that out because that is a detail that needs to be kept in mind when you guys go through the various different changes that are occurring in the Maui County Code. For a two-bedroom monthly income, the rent on Maui would be 2,158 for 100 percent AMI.

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On Lānaʻi, it's 1,248. So I just want to put everything into perspective here. Next slide, please. Pūlama Lānaʻi is committed to affordable housing on Lānaʻi. The 115 units include 76 units from Hōkūāo, as well as 39 units from our Iwiōle, which had expired or had flipped out of affordability. With the 115 units, we increased the affordable units on Lānaʻi by 162 percent, just ourselves, Pūlama Lānaʻi offers to the island. We span the entire spectrum because we believe it's important to provide affordable housing for all income categories, including the above moderate, which majority of our families do earn in that range, which is why you see the allocations as such on the screen here. Next slide, please. So the affordable units for Hōkūāo will be greater than 80 to 140 percent AMI, adjusted for Lānaʻi by DHHC. On the chart on the left is straight from the DHHC website, which is updated every May. For the below-moderate, moderate and above-moderate categories, for one-person to eight-person households, those are the income limits. The monthly rents are set for two bedroom. They start at 998 or close to 1,000. They go up to 1,747, And that spans below-moderate, up to above-moderate. Next slide, please. So I'm happy to inform you that since the last meeting with you, we've completed the entitlement process. The red dotted box in the bottom right of your screen shows what has been completed since last...being in front of Council in September. On October 18th, our petition for the DBA was filed, with supporting documents. On November 10th, the Land Use Commission unanimously granted approval of our DBA. And on the 23rd, the findings of fact, conclusions of law, and decision and order was approved unanimously by the LUC. Next slide, please. So right now, we are in the ministerial permitting process. We're working with DHHC on our residential housing development agreement, which is part of our application. We hope to have that completed as soon as possible. We have been working with the County Departments, as well as the Mayor's office, their Housing...their Housing Liaison, and to help put together a very efficient fast track tracking process to make sure that we are able to deliver on the schedule. We had previously applied for a grading permit, and that was granted last quarter, in Q4 of...oh, actually, it was in Q3, and we hope to . . . *(timer sounds)*. . . start grading right now. I'm going to wrap up, this is my last slide. And we start Phase I construction, and we hope to have homes awarded in Q3 and Q4 this year. So next slide, we thank you again for your continued support of our project, and we look forward to delivering homes by next year. Mahalo. I'm here for questions. Olivia, you can stop sharing your presentation.

CHAIR JOHNSON: Thank you, Keiki-Pua. I appreciate your presentation. Members, do we have any questions? Okay, seeing none. Thank you once again for your...your presentation. Look forward to working with you again.

MS. DANCIL: Aloha, a hui hou.

CHAIR JOHNSON: Okay.

COUNCILMEMBER KING: Can I ask Tamara if she ever heard from Larry Ellison? She gave her phone number about five times. . . . *(laughing)*. . .

CHAIR JOHNSON: That's right.

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COUNCILMEMBER PALTIN: I was going to write the letter over the Christmas break, but the surf was just too good, so...I'm going to buckle down and write the letter now.

CHAIR JOHNSON: All right. CC me, yeah? Okay, next, let's move on to Hale O Pi'ikea and see if they'll be willing to do all of their phases all in one. And after Hale O Pi'ikea, we'll probably move on to Kaiāulu O Halele'a. So...okay, Mr. Watson, the floor is yours.

MR. WATSON: Good afternoon, Chairman Johnson and Vice Chair Molina, and Members of the Affordable Housing Committee. My name is Kali Watson, president and CEO of HCDB, along with my partner, Chris Flaherty, who will also be giving a talk on this, who's with 3-Leaf Holdings, which makes up our Ikenakea Development, LLC, the developer of this project. I'd like to first start by thanking you for this opportunity to update you on our Hale O Pi'ikea project, located at the corner of Pi'ikea Avenue and Liloa Drive in Kihei. All three phases, which total 223 affordable rental units, they're all rentals, not for-sale. As you know, we've been working with, and gotten the support of the Kihei Community Association, along with South Maui Advisory Committee consistent with...and the project is consistent with the downtown Kihei design guidelines. As part of Maui Affordable Housing Plan that was prepared by Hawaiian Community Assets, we look forward to assisting in the development of the 5,000 affordable housing units over the next five years. I'd like to now turn it over to my partner, Chris Flaherty, who will explain the status of each phase in more detail.

MR. FLAHERTY: Yes, Mahalo, Kali, and aloha, Chair Johnson and all the Members of the Council [sic]. Just to introduce our development team, our project General Contractor is Moss Construction, the project architect is Design Partners, the property management company is Mark Development, and the lead service provider is Hawaiian Community Assets, and our planning consultant is Munekiyo Hiraga. Next slide. To start off with our Phase I project, the Hale O Pi'ikea Phase I project consists of two buildings, which are four stories. They're mid-rise in essence of 90 units, 100 percent of them are affordable rentals for a period of 61 years, and they're deeply targeted to 30 percent AMI to 60 percent AMI. The total development costs for the project are roughly \$54 million, of which we were awarded an affordable housing fund grant of \$5.76 million. And those...this project consists of one-, two-, and three-bedroom units with onsite parking, including a community room, an exercise room, and open green space, with the provision of social service programs to be included in the community space. Next slide, please. As you can see from the chart on the screen currently, you'll see that the...you know, it's deeply targeted, the 30 percent AMI to the 60 percent AMI ranges from \$28,000 to \$57,000 for a family of four. And as you'll see, there are 9 of the units in deeply targeted to 30 percent AMI, 9 at 50 percent AMI, and 71 at 60 percent AMI and below. And as you'll see, there's...the monthly rents are deeply targeted to \$443 to \$1,300 per month at the 60-percent level. Next slide, please. So where we're at in Phase I, we submitted our LIHTC application to HHFDC, and we were awarded...we submitted it in February of '21, along with our EA exemption determination. We were awarded 4 percent LIHTC credits, along with rental housing revolving funds in July of '21. We were also very excited to get our

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workforce housing agreement executed for the expedited permitting under Maui Code 2.96, along with our will serve letters for all of our utilities received. That was in May of '21. So with that, we are expecting our SMA permit amendment application in June of this coming year, and we are currently processing our plans for submittal to the Building Department, and we expect a building permit issuance, and we...we are planning on commencing construction in December of 2022. We expect the project to be complete and leased up in July of 2024. Next slide, please. So, you know, kind of piggybacking off the success of Phase I, it's a three-phase project, Phase II, which is in front of you, is a kūpuna project, which consists of one mixed-use building. It's four stories, and on the ground floor is a commercial component. It's 97 units of kūpuna housing, 100 percent affordable rentals for 61 years, deeply targeted, 30 percent to 60 percent AMI. The total development costs are just about 45 million. We received a \$4.7 million Affordable Housing Funds Grant. This project consists of studios and one bedrooms, with onsite parking, includes a community center, exercise room, open green space, provision of social service programs in the community area, and we're really excited about this project. It's a great complement to Phase I, and obviously Phase III, which we're about to show you as well. Next slide. This is indicative of what the...the downtown Kihei plan was originally conceived. And both the Phase I and Phase II will have the...the style and images which you...which are depicted in this slide. Next phase [sic]. On Phase II, which is kūpuna for 55 years and older, you'll see that the household income for a family of two, deeply targeted to 30 percent AMI, will be up to \$23,000 a year, of which...of the 30 percent AMI units, there will be ten. You'll notice in the 50 percent AMI, which is about \$38,000 per year for a family of two, we have ten of those units as well. Now, for the 60 percent AMI and below, will be up to \$46,000 a year, and we'll have 76 units. Next phase, please...I mean, next slide, please. So taking a look at Phase III, there'll be four buildings, they will be townhomes. They'll be . . .(timer sounds). . . three 8-plexes, one 12-plex. There'll be 36 units, 100 percent affordable rentals for 61 years, and deeply targeted as well, from 30 percent to 60 percent AMI. About 31 million in total development costs, one-, two-, and three-bedrooms, onsite parking, community center, exercise room, open green space, and also social service programs provided by Hawaiian Community Assets in the community area. As you can see, deeply targeted as well, there'll be 4 units at 30 percent, 10 at 50 percent, 21 at 60 percent, rental range from \$443 per month at 30 percent AMI up to \$1,320 for a three-bedroom, two bath at the 60 percent AMI. The next slide, please. As well, we've tried to run a parallel course, so that we can get some efficiencies with costs. We're designing Phase II and III concurrently with Phase I. Our submittal of our LIHTC application to HHFDC will be this February. Our environmental assessment exemption determination was received this past February of 2021. As well, we received our workforce housing agreement for Phase II in May of '21. We hope to receive an award from HHFDC for either 4 or 9 percent low income housing tax credits and rental housing revolving funds in July of 2022, and then obviously are hoping to receive our SMA permit amendment application of June of 2022. All that being said, you know, with our Phase I, you know, currently having all of its funding in place and, you know, going through the permitting process, we expect to submit for permits here very soon as well, hopefully, you know, with an award from LIHTC, you know, in July, and expect to commence construction in March of 2023 for Phase II and III, and complete those projects, Phase II and III, along with lease up in

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September of 2024, which isn't too far thereafter our Phase I project. Next slide? And I believe that's the...that's the completion of our...our presentation, and we'll open it up to any questions.

CHAIR JOHNSON: Great. Thank you for your...your presentation. Those are...those...we have a question for you from Councilmember Kelly King. Go ahead.

COUNCILMEMBER KING: Aloha. I'm not sure who we're talking with because you guys have such a great team there. But I just wondered if the original developer...you know, way years back, I think it was 15 years back, when we thought this was actually going to be the downtown center, and it was more...it was planned for more commercial. Is that the same developer (*audio interference*)?

MR. FLAHERTY: Oh, yes, Councilperson King, this is Chris Flaherty. Yes, the Krausz...the Krausz companies are still involved. We're talking about solely the south portion. This portion of the project was the residential portion, which was contemplated by Krausz companies. They're still involved, they still own the north center, they're still planning on developing the north center. So we've been working in...in unison with Krausz companies to try to bring obviously what...what they believe, and I think what the community has voiced, as to bringing more affordable housing to their project. And they're very excited. They've been extremely...probably the best group we've worked with in terms of being very patient sellers. Very, very...they've just been incredible. I can't compliment them enough. They've been a great team members to us, and we're really, you know, happy to be with them. And...and without their support and...and their help, we...we wouldn't be this far down the road. So my compliments to them. But they're still involved.

COUNCILMEMBER KING: Yeah. Well, no, I'm happy that...that they're still involved, and I...I...I agree with you, they've been extremely patient, because the original vision has changed. But it's...I think it's so much more what the community needs now. So thank you all for working together on this and for, you know, going in the direction of affordable housing.

CHAIR JOHNSON: Yeah, I totally agree with that statement, Councilmember Kelly King. Oh, all right, so we have a question from Councilmember Paltin. Feel free.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Watson and Mr. Flaherty. I was wondering if you've looked at the area since the early December storm, if any of it had gotten flooded, or access to the...where it is was affected by this past Kona storm in early December.

MR. FLAHERTY: Yes, I was there in early December after the storm, actually about five or six days after the storm, and everything looked to be...obviously, the...the pond more makai was a little bit fuller than what we'd want to see. But everything looked to be intact. We've cleared the south...the southern portion of the property, all the...you know, the...the brush and whatnot. And obviously, as you know, on the north side,

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there was a small fire, and that's...that's been cleaned up as well. But it looked to be in pretty good shape, and we were quite pleased.

COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR JOHNSON: Okay. All right. Thank you, gentlemen, I really appreciate you coming and giving your presentation. It's really fascinating to see all...what your information gave us. So thank you once again. Okay, Members, we have...we're running a little bit short on time. We have seven left in 45 minutes. So again, keep them succinct. That's...that's all I'm going to say about that. So let's move on to...we have Liloa Hale. Are you folks ready to present? Liloa Hale.

MR. CHUN: Yes, Mr. Chair. Good afternoon, everyone. Can you hear me and see me?

CHAIR JOHNSON: Loud and clear, Mr. Chun. Good to see you.

MR. CHUN: Great. Good to see you. Happy New Year. I'm going to ask my partner, Moe Mohanna, (*audio interference*) share the screen. Thank you, Moe. So good afternoon, everyone. Happy New Year, and thank you for having us here today. I'm Grant Chun, Executive Director of Hale Maha'olu. We're really pleased to be working and partnering with a very well-established provider of affordable housing for this project, Highridge Costa, which has already established itself here in Hawai'i with a beautiful project in Kapolei on O'ahu. Liloa Hale, we hope, will represent the first of many collaborations between Hale Maha'olu and Highridge Costa. With us today on the call is the company's president, Mr. Moe Mohanna. The rest of our team is listed on the next slide. Moe? Okay. So today...next slide, go ahead, Moe. Today we are here to provide an update on our progress since the 2.97 approval, which the Council granted to Liloa Hale. Next slide. So as I mentioned, we are situated in Kihei on the southerly portion of what is now the campus of Hope Chapel, immediately adjacent to, and north of, Hale Maha'olu Ehiku. You can go to the next slide, Moe. So we're situated on Liloa Drive, and as you can see from this slide, the project is immediately makai of Pi'ilani Highway, and across from the Kihei wastewater treatment plant. Next slide. The parcel is located on 3.61 acres. It'll be 100 percent senior affordable rental housing. It will be comprised of three...of a single three-story building containing 117 one- and two-bedroom units, along with related improvements. All of the units will be restricted to seniors earning 60 percent or less of AMI in accordance with the annual Affordable Rental Guide...Guidelines prescribed by the Department of Housing and Human Concerns. Next slide, Moe. Of course, Hale Maha'olu will manage the property, and the amenities that are anticipated are indicated on this slide. Next slide, Moe. Just an update, the project has received its urban design review approval back in July of 2020. Subsequently, the Affordable Housing Committee took action to recommend approval for the project's 2.97 application to the full Council in August of 2020, and in September of 2020, the Council did just that. Subsequent to that, the Maui Planning Commission approved the project's Special Management Area use permit in November of 2020. The project has also been supported by the Affordable Housing Fund in the amount of \$4.3 million. Next slide. This is just a site plan of the site. The front entrance of the project is on Liloa Drive on the left-hand side of the

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slide. The rear of the property abuts Pi'ilani Highway to the right. Hope Chapel is to the north, which is the top of the slide. And Hale Maha'olu Ehiku is to the south at the bottom of the slide. Next slide, Moe. This is a view of the project from the highway. As you could see, because of the way the parcel drops off from the highway, only the top floor of the rear building is actually visible. Next slide. Here, you can see a depiction of the project from Liloa Street, the Liloa Street frontage. The palm trees along the driveway are the driveway...driveway into Hope Chapel. And next slide...is a view from across Pi'ilani Highway. I'm just going to now hand the floor over to our partner, Moe, who will give you an update on the funding for the project. Moe?

MR. MOHANNA: Good evening. I'm sharing screen, can you all hear me and see me? Just checking.

CHAIR JOHNSON: Yeah, loud and clear.

MR. MOHANNA: Excellent. Thank you, Mr. Chair, Members of the Council. As Mr. Chun has shared with you, we have received all the approvals we needed, and we actually did submit to HHFDC in 2021. However, we were not successful in receiving an allocation. The...for the very first time in the State history, the ask for the tax exempt bond was oversubscribed. Typically that's the result of the amount of tax exempt bonds given to HHFDC after the State and the respective Counties take their share. So as a result, even though the project was deemed...the application was deemed complete and well received, the amount of projects that were allocated were rather limited. As you can see from this slide, it was...the bonds were oversubscribed by over 400 percent. Typically, the RHRF revolving trust fund is the limiting factor, but this is the first time that the tax exempt bonds were the limiting factor. The demand was about...the amount given to HHFDC was about 150 million, compared to 306 million in 2019; significant difference. Also . . .(timer sounds). . . to be noted, that in 2020 IHFDC [sic] did not have a RHRF round, which increased the pent up amount demand that went into this year, 2021. We anticipate with the project's full approvals in hand to submit in 2022, and we hope to be successful in receiving the allocation. The development, as I mentioned, has received its approval. This is the...this is the last part of the funding needed from the State, and if...this is the only mechanism to fund affordable rental...affordable housing in the State of Hawai'i, so we must go through this avenue. Once received, we anticipate to start construction in 2023. Let me go to this screen here again. Due to the delay in not receiving the funding in 2022, we will be coming before Council to request an extension of the 2.97 approval, to make sure we can receive our allocation and process building permits in a sufficient time frame. Thank you.

CHAIR JOHNSON: Okay. Thank you. Thank you for that presentation, gentlemen. If you guys don't mind, stop sharing screen, and we might have some questions from the Members. Wonderful. Anybody...okay, we got Councilmember Kelly King, go ahead.

COUNCILMEMBER KING: Thank you, Chair. Hopefully these will be quick questions. One, when you go back before HHFDC, will you...will you be in a priority position for those funds? Do they give priority to...to folks who have already applied?

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MR. CHUN: Moe, you can go ahead and answer that.

MR. MOHANNA: Sure. So there...there is no priority to those that applied before. Every year stands on its own to how many projects are received, and where they fall in the competitive project process. There are priority projects that are State projects that do take precedent and priority here. But no, every year is a new year, and it depends on who submitted, and where they score, and where we are.

COUNCILMEMBER KING: Okay, so it's...it's based on a score. It's not like a random lottery or anything.

MR. MOHANNA: No.

COUNCILMEMBER KING: Do you have a pretty high score?

MR. MOHANNA: We did receive a good score, and I would say if the funding amounts were comparable to previous years, my understanding from Staff is we would have received an allocation.

COUNCILMEMBER KING: Oh, okay. Well, good luck on that. The other question I just wanted to ask you is, what is...what is a senior? What is the age of a kupuna, in your opinion?

MR. MOHANNA: I'm a...I'm a senior.

MR. CHUN: I'm a senior.

COUNCILMEMBER KING: Because...because we were having an internal debate, whether it's 55, or 60, or 65.

MR. MOHANNA: For this project, it's 55.

COUNCILMEMBER KING: It's 55 for this project? Okay. All right, thank you.

CHAIR JOHNSON: Interesting. Okay, great.

COUNCILMEMBER KING: That makes me feel older now.

CHAIR JOHNSON: Yeah. All right. Thank you, Mr. Chun and Mr. Mohanna, for your presentation. Really appreciate it. Aloha. Okay, we're going to move on. For our next presentation, and I'm going out a little bit out of order --

COUNCILMEMBER PALTIN: If Mr. Chun is still available, I had a question for him. Quick one.

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CHAIR JOHNSON: I beg your pardon, I didn't see your hand up there. My mistake. Are you guys still on the call? Mr. Chun, are you still on the call? Oh, there he is.

MR. CHUN: Yes?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Chun. I...my question was just, like nowadays, 55 years old isn't that that old. And so if somebody was 55, and they were married, and they had children, would they still qualify if they were the only person that met the 55 years old?

MR. CHUN: Yeah, they would.

COUNCILMEMBER PALTIN: And everybody else could live there, you just need one person that's 55?

MR. CHUN: Correct. Yes.

COUNCILMEMBER PALTIN: Okay, all right. Thanks.

CHAIR JOHNSON: Okay, great. All right. Thank you once again, and excellent question, Councilmember. Let's move on to number 13, which is Pulelehua, and then followed by Waikapu Country Town.

MR. CHENG: Hello, Chair. This is Preston Cheng here. May I share my screen?

CHAIR JOHNSON: Certainly. Certainly.

MR. CHENG: Okay. Sorry, I'm trying to get my screen share, hold on. Okay, can everybody see?

CHAIR JOHNSON: Yes, we can.

MR. CHENG: Okay. Aloha, everyone. My name is Preston Cheng, and I'm a developer on the Pulelehua project, along with my father, Paul Cheng, who is on the call today. Also on the call today is Gil Agaran, who represents us legally. And today we're presenting a quick overview of the Pulelehua project. Here is our project team of the Maui Oceanview; we have our architecture with Lucien Lecodrange; our civil engineer, Kimley-Horn; traffic engineer is Austin Tsutsumi and Associates; and the rest of our team that you can see here below. For speed, I'm just going to keep on pushing forward. Today's objective is to provide you all some information on the first phase of our development. The project site is located in West Maui. Here you can see, the location is right underneath the Kapalua Airport, along Honoapi'ilani Highway, divided by Akahele Road [sic], which leads up to the airport. Here, you can see an aerial of the site. The parcel size in total is 310 acres, the State land use district is urban. The West Maui Community Plan designation is PD-5. The proposed community plan has this designated as Residential, Rural-Residential, Small Town Center, Neighborhood Center, Public/Quasi-Public, and the zoning is a PD-5. Looking over the entire

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development we have here, it's a very...has a lot of units. We have 240 slated for our first phase. Of that 240, 80 units will be affordable rental housing, and 40 units will be for-sale, 120 units will be market-rate rentals. The total development will have 400 market-rate multifamily units, 300 affordable multifamily units, 100 affordable for-sale units, 100 single-family lots, with 100 potential additional 'ohana lots...units, 70,000 square feet of commercial retail, a 13-acre school site, which was dedicated to the Department of Education, and a 10-acre community park. Our affordable AMI mix of the project is divided into four different sections for the rental and...and...or three different sections for the rental, and four different sections for the for-sale. We have 100 units below 80 percent AMI, we have 100 units in 80 to 100 percent AMI, and 100 in...in the 100 to 120 percent AMI. For the for-sale units, we have 20 units below 60 percent AMI, 20 units for 60 to 80 percent AMI, 40 units for 80 to 100 percent AMI, and 20 units for 100 to 120 percent AMI. In this table here, we are showing the current affordable for-sale price guidelines issued in 2021, showing just roughly where the housing prices are today, and where we estimate that they may be by the time our first phase of for-sale units will be upon completion. We're estimating that one bedrooms will be between 183,000 and 220,000 for those below the 60 percent AMI range. Those in the 60 to 80 percent AMI range might see between 220,000 to 296,000. Between the 80 to 100 percent AMI range, we may see 296 to 370 for a one-bedroom, or 357,000 to 449,000 for a two-bedroom. And between 100 to 120 percent AMI, we may see two bedrooms between 449 to 535. Once again, the entire Pulelehua development will have 100 workforce for-sale units available, and 40 percent of them will be available in the first phase of the development. Here, you can see a proposed total site plan of the development. You can see the school site that's dedicated here, along with the rental housing buildings scattered throughout various...throughout the community, the lots for the subdivisions up closer towards the airport, the ten-acre park along the highway here. And we can go in and get a little closer look. Here's our phase plan, it's a preliminary. Phase I is located to the west of Akahahele Street [sic] here, you can kind of see that, located here, that's the 240 units that we discussed. The next phase beyond that would be on the other side of Akahahele. The phase . . . (timer sounds) . . . after that, would be located on the other side of the gulch. Okay, I'm going to try to push through here. This is what the...the Phase I site plan kind of looks like. We have some nice pocket parks here as well. There's a mix of the affordable units. The four closest to the highway are the workforce affordable for-sale units. Here's like an elevation. Here's some community renderings. You can kind of see how we have a one-story product, two-sided, ten units per building, front end parking. It allows for great views. Here's another conceptual rendering of what these units could look like. This is our trail system and connectivity plan. We envision a very walkable community, where there's lots of bike paths and trails connecting the schools to the retail to all the units. For lack of time, you know, we...we have planned for two wells to service the community. We have our water for the development. The wastewater, we intend the first phase to be connected to the Lāhainā plant. We are connecting it through...we are building out our pipeline. It's about a mile...or a mile stretch from one...our site, down to the Lāhainā plant, and then we'll be taking back our R-1 to use it for landscaping and fire-flow. Site drainage is located across the site. We intend to do a great job of detaining and...and treating this water before letting it go. This is a big point-- trying to wrap up really quickly

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here--one of the major commitments that our development at Maui Oceanview did is set up a West Maui revolving housing trust with \$1.6 million dollars to provide...and this is a nonprofit organization that's there to assist West Maui and other native Hawaiian residents with loan grants for down payments for specifically purchasing affordable housing, to help them get access to home ownership. This is a really special opportunity for West Maui residents to try to get that very first, and most important, payment in home ownership, the down payment. Quick overview of our project schedule to wrap up for today. We received our LUC decision approval in July, we just received our Phase II approval in October, we've submitted for our Phase III approval entitlements, and those are in the County today. We hope to see that approval in the first quarter. And we are also going to be, as soon as we get that approval, submitting for our grading permits in Q2 of this year. Hopefully our construction permits will come shortly thereafter. And we hope to begin this year on the first phase of the project with our site work, and begin construction after that site work is completed in early '23. If you have any questions. Thank you so much for your time. I know I ran a little bit over, but there's a lot of information to cover on this big project, and --

CHAIR JOHNSON: Yeah.

MR. CHENG: -- we look very much forward to providing affordable housing to West Maui. Thank you.

CHAIR JOHNSON: Okay. Thank you, Mr. Cheng. Thank you for that excellent presentation. If you don't mind, stop sharing screen, so we can see the hands if there's any hands for questions for you. Okay, we got one from Councilmember Paltin, and I thought I saw Shane Sinenci's hand up, yeah?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Cheng. Just wondering if you anticipate any obstacles or blockages to get your grading and grubbing in Quarter-2 of 2022?

MR. CHENG: Well, actually, we...so during the holiday, we actually did submit our civil plans for grading and basic civil work already. We worked...as you know, we worked really hard with the community to come up with this plan. Everyone loved it. We adjusted it to what the community needed. The Administration has been very helpful in helping us, in terms of getting the sewer and other things done. The Planning Commission have been very supportive. We already passed our Phase II approval, and the Phase III approval is imminent. As I understand it, the Land Use Commission, of course, gave us a 9-0. Same thing with the Planning Commission, gave us a 9-0. So...but recently...I mean, not recently, but like the last few months, we've been struggling with one particular item, and that is that in the housing agreement, kind of threw us for a loop. We were told that what we were counting on, which is the housing credits, are no longer available to us. And we...in order to get it, we might have to go through another public hearing. When we made our calculations to offer 50 percent, we had not anticipated that was necessary or that...you know, that that was even an issue. So I don't know that...all the legalities, but Gil Agaran, as my

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lawyer, he can explain to the Committee in a couple of minutes. He strongly feels that we were then just asking for what is already on the books, and it's not anything unusual within that...that setting. Now, our project's a little different. We have not received, nor asked, for any subsidies, any kind of help in any way; no bonds, no tax credits, no cash, no anything. So we felt like the housing credit of 150 units by formula on the books right now, law, should be given to us, but we have not...we've been struggling with that item. Otherwise, things are moving very well. The housing...I mean, the...that we have negotiated with all the Department of Transportation, the agreement is on the Department Director's desk for signature, and we've worked it out with the airports, we have a very good relationship with the wastewater treatment people, they've been very helpful. We...we, you know, got that whole arrangement worked out with the recycling of the R-1 water, and...and the sending of the, you know, wastewater. Our wells are...should be receiving a permit to drill the wells any minute now, and we've been --

COUNCILMEMBER PALTIN: So the issue is just 150 workforce --

MR. CHENG: Housing credits.

COUNCILMEMBER PALTIN: -- housing.

MR. CHENG: That's it. Not...not...everything else is...is done, basically. We...we're actually coming on the island with a full team of people. We're interviewing 30, 35 local contractors and suppliers, starting the second week of January, with the full intention of hopefully working out with them on the project. So we...we believe that we've fulfilled everything asked for, but this...you know, we went...we have a signed agreement before with the housing credit on the agreement. In fact, right now, if you look at the document, the signed agreement we have with them has it. But then when we finalized everything, they said, no, not getting it. So then we went to the Mayor and talked to him, he's supportive. So I don't know. It's kind of getting confusing. But we've been counting on it, we haven't been asking for any handouts, this doesn't cost the County any cash, and we...by formula, we're supposed to get 150. So maybe Gil...Gil, are you available?

COUNCILMEMBER PALTIN: So just to clarify --

MR. KEITH-AGARAN: Yeah.

COUNCILMEMBER PALTIN: -- the lack of 150 credits may hold up 400 affordable housing units for West Maui?

MR. CHENG: Well, it's going to...it's going to hurt. As you all have been hearing all afternoon, there's a lot of inflation going on. I can guarantee you it's very, very bad. You know, lumber has tripled in the last 18 months from 300-some dollars 1,000 board feet to today, 1,100 for 1,000 board feet, which is unbelievable. So when you add the treated lumber to it, you know, the cost is sky high. So you know, anything

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that you all can help us in understanding this issue, and perhaps coming up with some solutions, would be most appreciated.

CHAIR JOHNSON: Okay.

COUNCILMEMBER PALTIN: Thank you. Thank you, Chair.

CHAIR JOHNSON: Okay, we have a question for you...thank you, Councilmember Paltin, we'll go on to Councilmember King.

COUNCILMEMBER KING: Thank you, Chair. Aloha, Mr. Cheng.

MR. CHENG: Yes.

COUNCILMEMBER KING: What is the...what is the anticipated value of those 150 credits? What are you expecting to sell them at?

MR. CHENG: Well, you know, the market...the market value is...you know, depending on if anyone has a need for it, but somewhere around, I was told about 15 to 20 million. But I think that our infrastructure costs that we could use some help on is probably going to be less than 15, probably 10 million to 12 million is...is adequate. So a little bit --

COUNCILMEMBER KING: So you're expecting to sell them for somewhere between...somewhere around 75,000 each?

MR. CHENG: Yeah, or more. So that...I was told at one time, somebody said that, you know, they can use it as a credit because it helps the economic [sic]. So I wasn't going to sell it, I was going to use it to build additional affordable units, and to make the projects in the future phases more affordable, and even in other locations on the West Side. So I was really counting on it, so...

COUNCILMEMBER KING: Okay. No, I understand...I understand that. But I...I think the problem down the line is that then someone uses those to not have to build affordable housing in some other area. So that's...that's...that's the conundrum we're in, when those credits go around. Because that means that you can sell them to someone else who normally should be building affordable housing, who then wouldn't have to.

MR. CHENG: Well, we...we don't...well, yeah. Go ahead.

COUNCILMEMBER KING: Yeah, no, I...I just...I...I just wanted to *(audio interference)*

MR. CHENG: We...we're building...well, I...I look at it the other way. I mean, we're building it now, we're not even waiting. We're building extra. That's where the formula comes from. We're not deferring anything.

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COUNCILMEMBER KING: Yeah, I had...the last time I asked a developer how much they were intending to get from them, they told me 25,000, but your...yours is closer to 100,000.

MR. CHENG: Well, I...I really don't have any factual database, other than what I've heard. And you know, all I know is what my infrastructure cost is, which is about 10, and it is just what it is. And...and you know...

COUNCILMEMBER KING: And you haven't asked for any exemptions, either?

MR. CHENG: Injection?

COUNCILMEMBER KING: Exemptions.

MR. CHENG: No, I...I'm...I have not asked for anything. I have not asked for a rental housing fund, I've not asked for a County housing fund, I have not asked for HFFDC [sic], or anything else.

COUNCILMEMBER KING: All right. Thank you. Thank you, Chair.

CHAIR JOHNSON: Okay, we've got a second and final from Councilmember Paltin, and then followed by Sugimura.

COUNCILMEMBER PALTIN: Thank you. Thank you, Member Sugimura. I was under the impression before we met that maybe 125 of the affordable units were on the hook from Kapalua Mauka. Kapalua Mauka hasn't anywhere near started. And so then if it were to be repealed for not being started within five years, would you still be on the hook for those 125 units?

MR. CHENG: I am under contract when I purchase the property to provide it out of what I'm building. So I...this is a very interesting question. I...I...I think I'm on the hook for that, whether they build it or not. I...I...that's...you know, I really am not prepared to answer that question legally because I...you know, all I know is when I purchased the land, they had asked me to do that as part of the price, and I said, fine, and that was 125 units for the Kapalua Mauka. And I intend to honor my commitments. You know, I signed for it, and I own up to it, so...

COUNCILMEMBER PALTIN: So you owe 125 for Kapalua Mauka, 125 for your portion --

MR. CHENG: Correct.

COUNCILMEMBER PALTIN: -- portion.

MR. CHENG: And since I'm doing...yeah, and since...since I'm doing 400...or 5...for 400, then there should be 150 excess available.

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COUNCILMEMBER PALTIN: You're going 150 units above what you owe, is what you're saying --

MR. CHENG: Yes, correct. By the legislation, yeah. By the ordinance on the books right now, yes.

COUNCILMEMBER PALTIN: And that's why you are requesting the 150 --

MR. CHENG: Yes.

COUNCILMEMBER PALTIN: -- workforce housing credits, because it's 150 more than what you owe.

MR. CHENG: Yes. I mean, I...I'm not trying, you know, there's a lot of legal technicalities and, you know, some...some County Staff has said hey, it's a discretion item, and all that. And I checked with Gil, and he said, no, the discretion is what conditions lead to the granting of the credits, not so much as whether you get credits or not. If you did what you did, then you get credits. And since we're not asking for any relaxation of rules to get it, we should be entitled. That's our...at least that's our perspective.

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

CHAIR JOHNSON: Okay, before we move on to Councilmember Sugimura, I saw Corporation Counsel Mimi Desjardin get on, so we'll let --

MS. DESJARDINS: Yeah, thanks.

CHAIR JOHNSON: -- her speak to this. Go ahead.

MS. DESJARDINS: Briefly, I just wanted to add a couple more items to the conversation to make it clear, sort of where it...this came from. 2.96.050, which deals with residential housing credits, places the issuing of credits within the discretion of the Director of Housing. Second of all, what the State Land Use Commission did was require, as part of its DNO, that 400 units be built. So this is a little bit of a different situation than your normal providing of credits. What Mr. Cheng didn't mention was that there is going to actually be a public town hall provided by DHHC to get some public input as to how the community feels about this credit. Because as Member King pointed out, these credits are controversial, they are not just simply given out. There has to be some thought put behind them. So while I agree with a portion of what Mr. Cheng's representing, there are some extenuating circumstances that makes this situation a little bit different. But I feel that Housing is doing its best to try to balance between the law and what the community would like to see here.

CHAIR JOHNSON: Okay.

MS. DESJARDINS: I just wanted to just throw that into the conversation.

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CHAIR JOHNSON: Thank you, Miss...thank you --

MS. DESJARDINS: Thank you.

CHAIR JOHNSON: -- Mimi Desjardins. Before...before we go on, thanks for that. I...I want to move on to Councilmember Sugimura, because we...you know, I don't want to get too far into this conversation here. So Councilmember Sugimura, you have a question?

COUNCILMEMBER SUGIMURA: Congratulations for coming this far with this project. I think I've heard about Pulelehua for years...through the years. So recently, a public hearing was held; Tamara Paltin managed that. And just for your information, because this is going to come up in Council, and probably in my Committee, emergency lighting at the airport was requested from the West Maui Taxpayers Association. I will notify you when that meeting comes up for discussion because it's going to impact, you know, the community. And you are a great part of the community, because you're right above, at the Kapalua Airport, and it...it involves the County agreements when the airport was built, which you weren't there, a long, long time ago when it was Hawaiian Airlines. And there's some funding that I think the State, hopefully this next budget cycle, will provide to get those lights on for the community at the appropriate time. But more discussion. But I just wanted to give you a heads up besides this house credit, and I think this emergency lights is...will come up also.

MS. CHENG: Chair, may I have two minutes left, just for Gil to explain our legal position properly?

CHAIR JOHNSON: Okay, but I just...all right. I'll give you a minute, yeah, one minute's fine, because we're getting close to...we have three more presenters. So go ahead, Gil Keith-Agaran. That floor is yours.

MR. KEITH-AGARAN: Yeah, thanks, Chair. The...the only...the...the only way we differ from what from what the...from what Corp. Counsel is suggesting is that the language of the ordinance is clear. There's only a certain exceptions from the application of the ordinance, otherwise you apply the credits. I...I think she's probably, in our view, over...overestimating how much discretion the...the Director has and...in making changes to what's in the ordinance. I...I think Mr. Cheng acknowledges that there...these types of credits are controversial, and we know that the Mayor is, and has asked Housing to hold to a...hold a public hearing on it. But as Mr. Cheng pointed out, these are...these are...units are going to be built in the near future, and it's not...and we're not talking about the possible units that might be lost going forward. This is probably one of the largest projects in West Maui to provide up to 400 units of affordable housing, including units that were promised by Maui Land and Pineapple for Kapalua Mauka. And I think that our position is that when he negotiated with the community about the additional number of units that he could build with affordable...that were affordable, that he was taking into account the fact

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that these credits would be available. And I guess we'll...we'll have to deal with the hearing when it comes forward, if it's going to go forward.

CHAIR JOHNSON: Okay. All right. Thank you for that legal explanation, Gil Keith-Agaran. Appreciate your time. Okay, Mr. Cheng, thank you once again for coming out and speaking with us. Very, very, you know, very sizable project, to say the least. And boy, do we need sizable projects for...for this situation we're in. So thank you once again.

MR. CHENG: Thank you, Chair.

CHAIR JOHNSON: You're welcome.

MR. KEITH-AGARAN: Thank you.

CHAIR JOHNSON: All right, we're going to move on to the next one, Waikapu Country Town, followed by 5th Street Lānaʻi Project, and Members, I...I'm trying my best to get us out of here on time, but we might run a little bit late. If we do run a little late, I understand if you've got to go, we all, you know, pretty busy. But that's...I'm trying my best. So okay, let's move on to Waikapu Country Town.

MR. UEOKA: Good afternoon, Chair. This is Jeff Ueoka. I'm here with Mike Atherton, we have Mr. Paul Mancini also with us today. Good afternoon, Members. So in the interest of time, you guys are kind of familiar with Waikapu Country Town, the project. It's 496 acres. It's supposed to have approximately 1,433 units. Of those, 2.96 requires around 287 of them to be residential workforce housing units. We intend to comply with 2.96 on the income, a breakdown and the...for the rentals and the for-sales. We have our residential workforce housing agreement in with the County. We're hoping that we can get that figured out soon. As you are aware, there's currently an elementary school site proposed in there, about 12 acres, 16 acre park site, might be a little bigger, depending on how things work out as project moves forward. It's a...it's a project district, as you're...oh, I'm sorry, its form-based code, which is similar to a project district, but a little different in various ways. The big thing for us is the Waiale Road extension, and the construction of our private wastewater treatment plant. The big issues are infrastructure, essentially. We are currently trying to work with the Administration on those items. Recently, we received a DBA modification, so that Waikapu Country Town could submit a subdivision application prior to the traffic MOAs being signed off. Because of the Waiale Road extension requirement, we have not been able to execute a traffic MOA with the County, and therefore, with the State. We are getting close to being ready to submit for subdivision. We're very close, I would say, actually. One of our biggest issues right now, other than just being a development, which is hard, is the timing of the affordables in relation to when the market units will be sold, that's one of the hard things we're having, where it's just...the timing of it's difficult for the market developers. We understand the need for the affordables to be done first, but just money-wise, for infrastructure improvements and all the other things that need to go in before the affordables can go in, those all cost money, and sometimes the market

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buyers, developers, help us out with those. Mr. Atherton, quick present...just wanted to make a few quick comments.

MR. ATHERTON: Okay, Council [sic], Happy New Year. Nice to see you again. Mike Atherton. Like Jeff said, our maps are about ready to go. I got just a few more things to do, both my mauka map, my...and my makai subdivision map, my civil drawings for the water system are 95 percent. My civil drawings for the sewer system are the same, and the road that goes on top, the intersection out in front of the Tropical Plantation, I'm close on that. So we're just working with the Administration on the wastewater and the Waiale Road extension. That's where we are currently. I'd like to get started on the backbone structure, we call it, which would be the water system and the sewer trunk main, which comes down in the same area, the storm drain line, and the intersection at...in front of the Tropical Plantation. And we...we'd like to get started this year on that backbone. So that's an update on where we are. Thank you.

CHAIR JOHNSON: Okay. Thank you, Coach Atherton. Thank you, Jeff Ueoka. Good to see you gentlemen. Members, do we have any questions? Okay, we got one from Councilmember Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Atherton and Mr. Ueoka. I just was wondering, when you say you're working with the County on the sewer. My understanding was the County was building a wastewater treatment facility, and so then you folks wouldn't need to. Is that you guys' understanding as well?

MR. UEOKA: If I may, Chair?

CHAIR JOHNSON: Go ahead, Mr. Ueoka.

MR. UEOKA: Thank you, Chair. Councilmember Paltin, that...that's our hope. That's what we're kind of working on, because we don't think it would be wise to have two wastewater treatment facilities in that little area in Waikapu. So that's one of the things we're trying to figure out with the Administration. And they've been very helpful. But as you know, something of this magnitude takes time and a lot of effort on both sides. Thank you.

COUNCILMEMBER PALTIN: So then would we need to go back and change the conditions of change in zoning, if the County builds the wastewater treatment facility?

CHAIR JOHNSON: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Councilmember Paltin, in the conditions of zoning and the findings of fact, decision of law, decision of order from the State Land Use Commission, they were both worded pretty broadly, where it left in the idea of Waikapu Country Town to connect to a County facility, in addition to the concept of it building its own wastewater treatment facility. So I feel it was covered...both scenarios were covered.

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COUNCILMEMBER PALTIN: Okay. All right. Thanks, Chair. Thank you, Mr. Ueoka.

MR. UEOKA: Thank you.

CHAIR JOHNSON: Thank you, Councilmember Paltin. We have a question from Councilmember Sugimura for you gentlemen.

COUNCILMEMBER SUGIMURA: So the two areas, Waiale Road extension, or the connector road, as well as Central Maui Wastewater reclamation facility, both are in my committee, and...or both departments are in my Committee. But my question to you is, as we see this go through, will your project need to come before the Council again for any kind of approvals? Because we're working on getting those two items, you know, moving forward. The road and the reclamation facility, but the project itself.

CHAIR JOHNSON: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Councilmember Sugimura, I think we're a little...I...I would imagine so, but we're still relatively preliminary in our discussions with the Administration, so I can't tell you one way or the other. We'd have to wait back to hear from Mayor and his --

COUNCILMEMBER PALTIN: *(Audio interference)*

MR. UEOKA: -- Staff.

COUNCILMEMBER SUGIMURA: Okay.

MR. UEOKA: But I would imagine so, though.

COUNCILMEMBER PALTIN: Thank you.

COUNCILMEMBER SUGIMURA: Okay. We'll be...we'll be ready. This is exciting. Thank you.

CHAIR JOHNSON: Okay, Members, any other further questions for these folks? All right. I really appreciate you guys coming out here. And you know, Happy New Year, and looking forward to hearing --

MR. ATHERTON: Mahalo.

CHAIR JOHNSON: -- more *(audio interference)*. Aloha. Okay. Thank you. Members, it's 4:30. With your forgiveness, I like to keep...keep on, and we're all we're almost there. So let's call upon 5th Street Project, Lānaʻi City. All right. Now we've got Miss...Deputy Director Linda Munsell should be speaking on this one.

MS. MUNSELL: Hi, Chair. Thank you. Thank you, Chair and Committee Members, glad to be here this afternoon. I'm going to share my screen, with your permission?

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CHAIR JOHNSON: Certainly.

MS. MUNSELL: And you can...you can...you can see this, I hope?

CHAIR JOHNSON: Yes, we can see it.

MS. MUNSELL: Great, thank you. You guys are all familiar with the Lānaʻi Affordable Housing Project, but let me just give you a little bit of background here. As you know, the County owns approximately 73 acres, which were intended for an affordable housing project on Lānaʻi. The property is at the end of 5th Street, behind Lānaʻi Elementary and High School, and behind the Olopua Woods subdivision. This is an aerial view of the site, it's a former ag property. So the Lānaʻi Affordable Housing Master Plan was...received a 201(H) approval from Maui County Council in March of 2010. It subsequently also received a district boundary amendment from the State Land Use Commission in June of 2011. That changed the project site from agricultural district to urban district. The original master plan included approximately 372 residential units in five phases, there were 199 lots and/or single family homes for sale, which are shown in yellow. The lots are approximately 6,000 square feet each. There were also 173 multi-family rental units proposed. Those are shown in orange. There are two park sites, which are shown in gray, and a nearly five-acre Public/Quasi-Public site for a future community center, which is shown in blue. Per the 201(H) requirements, the units would be targeted at families earning no more than 120 percent of the area median income, and the ownership units would have a 10-year owner occupancy requirement. Phase I of the project included up to 81 units, which were a mix of single family lots and/or homes, and some multifamily units. Phase I also included one of the parks, and the site for the community center. In 2016, the Department issued an RFP for Phase I of the plan, but the RFP deadline expired with no application submitted, which of course, was very disappointing. We don't know exactly why we didn't receive responses to the RFP, but the speculation was that the cost of the infrastructure for Phase I, which in 2010 was estimated to be about 13.5 million, was one of the major factors. So based on the lack of response to the RFP, the Administration felt maybe that there were a couple of options for moving forward. First, we could make revisions within the current 201(H) plan, and if it's true that one of the major reasons we didn't receive response to the RFP was because of the cost of infrastructure, there were a few ways that...that that could be addressed, either by revising the order of phase...phases in the project, changing the location of the phases, or by restructuring, so that the infrastructure costs were realized at a later date. The other alternative, of course, was for the County to investigate an entirely new plan, or a new site for housing. Since the original plan had been completed in 2010, and the 2016 RFP failed to garner interest, we went back and felt like we needed some updated information before dramatically shifting gears. Also in 2016, Pūlama Lānaʻi's Hokuʻao Project was in the planning stages, so we partnered together with them to complete an updated Lānaʻi housing study, which was finished in January of 2017. Our project consultant also updated the marketing study, which was also completed that year. And then we also wanted to make sure that we got community input before we made a bunch of changes to something that they had already looked

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at and approved. So after evaluating the options, and based on the data from the studies, a recommendation was made to restructure the phases of the existing master plan, with a focus on multi-family rental units in the early phases. The emphasis on rental units early in the phasing was in part because although the most recent study found that most residents wanted to buy a home, many of them were not yet financially prepared to buy, and could not afford the down payment. To give them time to prepare, the single family homes will be phased in in the future. So in March, August, and October of 2018, the Administration and our consultant, Munekiyo Hiraga, held a series of community meetings to present and refine a new plan. As you can see in this updated master plan, the multifamily units, shown in orange, have been shifted from the far left of the site plan, and are now closer in proximity to the existing infrastructure. . . .(timer sounds). . . And the new master plan would have slightly fewer housing units; 352 instead of 372, with a mix of single family and multifamily units just altered a little bit. Phase I, as proposed in the updated plan, would be much smaller, included 24 multifamily rental units, and 22 single family lots. And although restructuring the project did decrease the upfront...upfront infrastructure cost --

COUNCILMEMBER PALTIN: *(Audio interference)*.

MS. MUNSELL: -- from an estimated 13.5 million to an estimated 8.5 million in late 2018, this cost is still...is still significant, considering the number of units that were gained from the investment. So where does that leave...oh, sorry. I got behind here. So where does that kind of leave us? Even with the changes in the phasing, the estimated infrastructure costs are still very high per unit, and our discussions with potential development partners indicate that the County would need to subsidize substantially the infrastructure for the project to move forward. We've also received some feedback that the multifamily units, as currently structured, would not be financially feasible in the way that we had conceived them. There are too few units proposed in Phase I for them to be viable as a traditional rental project. So we may need to make some further adjustments and consider some alternatives, such as some rent to...rent-to-own kind of concepts, and things like that. Regardless, those discussions are still continuing. And then, of course, Pūlama Lānaʻi's shift from for-rental...for...from for-sale to rental does put a little bit of a fly in our ointment there, and we do need to consider how that might change our own plan, and that answer is pending. We do have some upcoming reviews of studies coming up, including the next SMS Housing...Hawai'i housing planning study in the next year. So we're hoping to get the answer to that question done relatively quickly. So if a decision is made to move the project forward, the updated master plan will need to be finalized. If there's no major changes, this shouldn't take too long. Project will need to return to Maui County Council to amend the resolution 10-12 to accommodate any proposed changes, and then we'll probably need to return to the State Land Use Commission to request an amendment to this...a DNO for this project. My understanding is that this would be to accommodate the reconfigured master plan, and to adjust a proposed infrastructure buildout for any changes that we make. And that's all we have. Mr. Almeida and I are available if you have any questions at this point.

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CHAIR JOHNSON: Okay, thank you, Deputy Director Munsell. Members, any questions? Okay, I have a quick question...oh, go...we do have some. I'll let these guys go first. Go ahead, Councilmember Kama, followed by Councilmember Paltin.

COUNCILMEMBER KAMA: Thank you, Chair. So if the project area is adjacent to Hawaiian homes, have you had discussions with Hawaiian Homes in terms of if you're having issues trying to get, you know, your infrastructure put in, it makes sense to me to form a partnership with the guy next door to see what you guys can do together. Has that occurred?

MS. MUNSELL: Yeah, there are a couple of possibilities. Of course, the Hoku'ao project is coming in relatively close too, and --

COUNCILMEMBER KAMA: Yes.

MS. MUNSELL: -- DHHL does have that project right next door.

COUNCILMEMBER KAMA: Yes.

MS. MUNSELL: As far as I understand, that's not on their high priority list at this point. But we are going to be having conversations with them...as soon as we actually understand what it is that we need to be doing with our own project. Until we know that, then I think that we're a little bit...little premature.

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

CHAIR JOHNSON: Okay. Thank you. We got Councilmember Paltin, followed by Councilmember Sugimura.

COUNCILMEMBER PALTIN: Thank you, Chair. My understanding was that DHHL had infrastructure for some other land, but they still didn't build it out. But I was wondering, so there's nobody...there's no developer involved here, there's just an idea, and you could...what...what would come first? Going back to the 201(H), going back to the Land Use Commission, or finding a developer through the RFP process? Which one would be the first thing? Because we could do the 201(H) again, we could do the decision and order again, and there's still nobody that RFPs it, or...

MS. MUNSELL: So this is...this is the...yeah, thank you for that question. This is the exciting reason why the County is not a great developer, because although we restructured the phrasing, we...the phrasing, sorry...we restructured the phrasing, we didn't take into consideration the fact that we're going to partner...we need to partner with an actual developer on these projects. And so we're changing our project, and then finding out that there are still no takers. And it's because we haven't taken that development partnership into consideration. You know, one of the things that we need to have a conversation with is, all right, what was our original 201(H)? Yeah, the development expenses were...were high, or the infrastructure expenses were high, but

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if we were to RFP the entire thing, would that change the complexion? And so I think we're going to actually have conversations about a number of different scenarios with development partners, rather than simply assume that we know, because we don't know. We're not that...we're not that experienced. We just don't have that knowledge.

COUNCILMEMBER PALTIN: Okay. Thanks.

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

COUNCILMEMBER SUGIMURA: Thank you, Linda, for the update. And I remember when the Hoku'ao project was being discussed, and talking about wastewater, and some of the challenges for infrastructure. Maybe it's another meeting, but I would like to take that up in my Committee, just so that we can prepare for when you're ready, and not...not take it too close to, you know, the actual time you'll need it, so we can put it in place and do a CIP, or do all the things you need so that, you know, Lāna'i can have this happen. Because I've been hearing about it for as long as I've been in the...in office. And the challenges, the infrastructure, yes, but now we have, you know, the Pūlama Lāna'i project, which is...which is going to help us, I think, from...you know, from was presented when we...when we did that approval, so...we're getting there.

MS. MUNSELL: Yeah, thank you, Councilmember. I was looking at the 201(H) application, and they actually listed the infrastructure expenses. And you know, I think that it is worthy of a more in-depth meeting than five minutes that we've got, you know, available to us today.

COUNCILMEMBER SUGIMURA: So I'll schedule a meeting with you so that we could...you know, I could support what you're trying to do and get Gabe's housing that he...he wants on his island. Because I think the...the challenge with Lāna'i is that Pūlama Lāna'i, yeah, the...you know, it's a great project, but it's for basically employees and teachers, right? So it's kind of a narrow focus for the Hoku'ao project. But...and...and you know, the County can provide for others.

CHAIR JOHNSON: *(Audio interference)* --

MS. MUNSELL: But...yeah, actually, the --

CHAIR JOHNSON: -- homes for-sale, yeah.

MS. MUNSELL: -- Pūlama Lāna'i project is for all...for people. They can't limit it to their employees.

COUNCILMEMBER SUGIMURA: I...I'm...I apologize, I'm mistaken.

CHAIR JOHNSON: Okay. Thank you for your question. I got a question about the...the time that we...the County, before all of us were there, had issued a RFQ or...or I beg your pardon, a RFP back in 2010, right? I mean, wouldn't we want to do one nowadays

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where, you know, times have obviously changed? So have...are we looking into doing one nowadays?

MS. MUNSELL: Yeah. Thank you for that question. I mean, so there's two issues. I mean, Pūlama Lānaʻi originally was talking about a for-sale project and pivoted, right? And that changes...they...they did that for a reason. And then the thought is that the County is going to step in and do the for-sale projects. Well, for various reasons, you know, that's an interesting shift, and I think that we need to spend a little time thinking about what that shift means to us, and the cost, and whether the folks are ready for that. One of the reasons that we were doing more rentals was because people weren't ready, you know, to actually purchase. And so we're going to try and take a look at that, and see where we need to be moving from here.

CHAIR JOHNSON: Okay, wonderful. I...I...you know, keep me posted, of course. I...I'd love to hear more of, you know, if...Councilmember Sugimura said, you know, I want it. Well, the community of Lānaʻi wants it, right? No affordable housing for 30 years, that's huge. I just want to say that, you know, the study...the affordable housing study we did was about the senior housing. So also take...you know, please, when you're talking in this discussion, please include the data that I've come up with, and my team have come up with, to...to do that.

MS. MUNSELL: Thank you. Yeah, actually, when I was...we were first looking at this, we thought, well, maybe we need to do another study. But then what I've...what I've discovered is that there is a ton of information out there, and what...we need to look at it from a different perspective as far as the economics go --

CHAIR JOHNSON: Yes.

MS. MUNSELL: -- and see where we are. I don't think a new study is necessarily needed.

CHAIR JOHNSON: Okay. Well, final word, just...Deputy Director Linda Munsell, please, RFQ is really what needs to happen. I beg and plead. We got to find out what we can...what we can do with this land. So thank you so much. Okay, Members, I don't see any further questions, so we're going to move on. Thank you again, Deputy Director Linda Munsell and all of your Staff. We have...the next one is Hale O...oh no, we did Hale O Piʻikea. Now we have Kamaole Pointe...Pointe Condos.

MR. RITA: Aloha, and namaste, Chair and Members. I have to apologize ahead of time. I don't have my tech-savvy cohort. He's at home dealing with some flooding issues, so I don't have my...my PowerPoint, but I could share a PDF that I have, if that's okay?

CHAIR JOHNSON: That's...however you'd like to do it, Mr. Rita. We're here to...you got our ears. However you want to do it.

MR. RITA: Very good. Okay, can you see that?

CHAIR JOHNSON: We see a gray screen right now. It might be loading.

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MR. RITA: Okay, can you see a aerial map on there?

CHAIR JOHNSON: No, all we're getting is the gray screen at this point.

MR. RITA: Ah, okay. I'm going to stop sharing. I'll just go to do a verbal --

CHAIR JOHNSON: Okay.

MR. RITA: -- a verbal type of presentation. So basically there's a Kamaole Pointe development. It's been on the books for a while. Like...like Linda Schatz had mentioned prior, in prior testimony, you know, our project also was full up and running prior to COVID --

CHAIR JOHNSON: Mr. Rita, I beg your pardon. Beg your pardon. Can you push the button to stop sharing screen, because then we can see everybody.

MR. RITA: Oh, oh, okay, okay, very good. Okay, how's that?

CHAIR JOHNSON: Yeah. Here we go. Yep, got it.

MR. RITA: Okay, very good. Very good. Yeah, we were up and running pre-COVID, COVID hit, everything, like everybody else, came to a grinding halt. But basically, after third quarter 2021, we're able to place our debt in equity again with a new group to get things going again. Basically, this is a...to give you a quick recap, 129-unit condo workforce housing project, 100 percent. We're looking at 39 units below moderate income, 65 units at a moderate income, and 25 units above moderate income. We're already pretty much complete with our architectural and engineering. We're basically going to be hitting BPP soon. We didn't ask for any funds, where...we may ask for funds later, but we're fully funded at this point through private debt and equity. We're just hoping that the weather holds up, and we'll be able to get things going. We're looking at first shovel probably second, third quarter 2023. So I think we're pretty aggressive on this, it's just a matter of our problem was placing our debt and equity, other than that, we're good to go.

CHAIR JOHNSON: Okay, that sounds like good news, Mr. Rita. Members, do we have any questions? We have one from Councilmember Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Rita. I just was wondering how the property location fared after this December...early December Kona storm, and if it's within...lies within the SLR-XA?

MR. RITA: You know what, the property fared fairly well because of the fact that...I think being that where it's at, the way the water flow, there was some mitigation, because it's between already two developed properties. I think we didn't have much damage at all. I wasn't able to visit during December, but I do have somebody out there that visit the site quite regularly for me. So he had indicated that they didn't see any type of

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major damage, or anything that we should be concerned with. Our development engineer or civil is with Latone (*phonetic*) Engineering, so I'll...I'll reach back out to him with regards to, you know, what we need to do, if anything. Otherwise, it...it looks like business as usual. I'm hoping just to get things up and running, so...

COUNCILMEMBER PALTIN: And...and the property doesn't lie within the expected 3.2-foot level sea rise?

MR. RITA: No, it doesn't. It's on a slope, from what I've been told. I will double-check with that, but we do have mitigation factors in place. First floor will have no...we expect to have no residential units on the first floor, parking. So I believe if it was, don't...don't quote me on this, there's already been mitigating factors that had already been put in place.

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

MR. RITA: You're very welcome, Council [*sic*].

CHAIR JOHNSON: Okay, Mr. Rita, I thank you for coming and speaking to us, and we don't have any questions for you, so I just want to say keep fighting that good fight.

MR. RITA: Will do. Thank you. Thank you, guys. I really appreciate it.

CHAIR JOHNSON: Aloha.

MR. RITA: Aloha.

CHAIR JOHNSON: Thank you. Okay, folks we're on the last one. We're going to do 10 and 12 together. That's Kaiāulu o Halelea, and Kaiā'ulu o Kūku'ia, also known as Keawe Street Apartments. So Mr. Bigley or Mr. Fisher, are you guys on the call?

MR. D. BIGLEY: Oh, I am, Gabe. Can you share a screen, Grant? I have somebody sharing screen here. Just a quick presentation. How y'all doing? Happy New Year.

CHAIR JOHNSON: Happy New Year.

MR. D. BIGLEY: Grant, are you there?

MR. G. BIGLEY: I'm here, yes, sorry. I got to allow screen sharing on my side. One second.

MR. D. BIGLEY: Start with Halelea, I guess. Well, it doesn't matter, I suppose. What do we got?

MR. G. BIGLEY: All right. Let me know when you see it.

CHAIR JOHNSON: Yeah, we can see it.

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MR. D. BIGLEY: Yeah, I see it. This...this is the Kūku'ia project. This is located in Lāhainā. The project is 200 units. It's all 60 percent and below median income. So we have...oh, let me get my wits about me today...it's 30s, 40s, 50s and 60s in this...in this development. Grant, go to the next slide, please. I think most of you probably know where this is, because if you...if you drive down that Keawe Street into Lāhainā, you'll have a long time with that traffic down there to be able to view that. So we're trying to correct some of those issues as well. We've got a lot going on. But that's the site, it's right in Lāhainā. Next...next slide, please. This is 200 units, 2.85 acres, 100 percent affordable at below 60, and this site is really for large families. I think half...half the units will be...will be the two bedrooms, and the other half will be threes and fours. And you can kind of get it, I...I will gloss over some of this because you've probably heard this on everybody's presentation of who...who the target market is. But it's...it's, as you know, the target market in that area is very deep in that...in that area, you know, the low 60s, it's really the low 80s, low 60s. Next slide, Grant. Okay, this...this...just this came...the site plan is going to be built in basically three villages, so each village...village will have a kind of distinct characteristic. The footprint of buildings will be the same but, you know, the colors will be changed. Some of the...the you know, balconies, the landscaping and all of that. So we'll have three distinct villages in there. Next...next slide, please. This is kind of to give you a feel for what the units would look like, and they'll change per village. We'll have different color schemes. Next slide. This gives you the kind of a feel for the units. So these are all eight-plexes, I think you've seen a little bit of this before in some of the stuff we've done on Kaiwahine, but this is kind of a...kind of an updated version. And what this is, is that everything is a corner unit. So we do...they're efficient floor plans, but very...I think they'll be highly desirable just because, you know, the way the units are kind of laid out. Next slide, please. This will give you an idea of the rents in that area. I'll give you a minute to kind of look at that. Okay, next slide. And so on the services, the way we work, they'll be...especially on a site this size, we'll have a manager on site, we'll have a maintenance person on site, and we'll have a social service coordinator on site. And those are the three disciplines that will actually live right at the property. So we'll also have...you know, we...when we do these types of projects, one of the big things we tout is that this is kind of going to be an anchor to the community. And basically what it is, is that even though we're sure we'll fill this fast, we believe that our servicing footprint can reach far beyond the...just the affordable housing. So we can really service the entire neighborhood. We have a very robust...because there's a lot of debate going on about community centers and those types of things, and they're very critical for these types of developments. And they can bring the neighborhood outside to inside, so we can service a broader footprint. Next slide. So this just gives you a quick...the building permits are ready to go. We're waiting on...right now, we just won a financing deal with the HHFDC, they think, you know, by June. And as usual, for those you've dealt with, as they say June, we say March. We'll see who gets there, you know, so we will. I...I...I'm betting on March, but we'll...we'll see how that goes. So we break ground in March, and within, we believe over about 24 months, we'll have it up and running. Next slide, please. Oh, that's it, so that's...that's the 200 unit, Kūku'ia, so that'll give you the plan. Okay, so this is...so that's on...again, in Lahaina. This property is in Kihei. This is Halelea. It sits...well, we'll go to next slide. I know you guys are moving pretty quickly this...next slide. So this is kind of

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where the property is located, it's right above the golf course. You'll...it's the...the tech center is up there. Let's see. You can kind of see what the amenities are around there. Next slide, Grant, please. Same situation. This is also...both proper...both of these properties are going to have the eight-plexes on it. So this is 120 units, 17.2 acres. This project has already...the first phase of this project is already...well, both phases now have broken ground. So we plan on delivering 120 units. These are, again, all below 60. Oh, I'm going to say something also for Councilman [sic] King as well. This will be a...at minimum, a LEED Silver, most likely will be a LEED Gold. Same way with the Kūku'ia site. These will all be LEED certified buildings. Again, these are all 100 percent below 60 percent. They're 50 percent two bedrooms, and 50 percent threes and fours, so very large units. We broke ground...the...the first stage will be delivered at the end of this year, probably in October, November. The next phase...the first phase, 64 units, the next phase will be delivered in the first quarter of the following year, but that'll be 120 more units. Okay, next...next slide, please. That's kind of the layout of the development. We tried to put some meandering roads in there. Again, it has a robust community center on site. The community will be invited there. And we...actually, there's a golf course right below there. It's actually a really...it's tucked into a really nice area right there. Next slide. This is the...this, for those interested, we did a condominium...we subdivided it. We used a condominium concept, rather than a subdivision on this one, just because of timing. So the...that's how this site lays out. So kind of this blue-purple area is really the Phase I development in the front part. The other colors in there are the Phase II. Next slide. The same kind of concept in these buildings, you can take a look at that. Super efficient. Next slide. So in that same kind of layout. Next slide. Living space. Same...in this...you know, these rents are...will be comparable to...there's some updating, I think, between the two because this presentation is a little bit stale, but those give you an idea of what the...same thing, onsite service coordination, same type of...of thing, what they were doing in Lāhainā. Next slide. Construction. Twelve, well this doesn't apply, really, anymore because we're well ahead of...we're...we'll deliver...the first phase will be delivered, again, in October of this year, and then we'll have the rest of the units by first quarter of the following year. Next slide. Oh, there you go. And then I didn't know, we...we weren't on the other one, but I...I...I believe for Councilmember Paltin, we...you know, we're going to deliver that other 89 units, I'm just going to tell you this, because I get the...I get a minute, is just that the 89 units, also in Lāhainā, will be delivered probably the second quarter of this year. We'll have 89 units, then 200, then the 120. So that's all I have.

CHAIR JOHNSON: Okay, thank you, Mr. Bigley. Grant, do you mind stop sharing screen, real quick, so we can get everybody up here and I can see their hands if we have any questions. Members, any questions? We have one from Councilmember King. Go ahead.

COUNCILMEMBER KING: Thank you, Chair. Thank you for being here, Doug, and congratulations on...it looks like you have your son working with you? That's going to be fun.

MR. D. BIGLEY: Well, yeah, you know, actually, it's my...my...it's my nephew, so...

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COUNCILMEMBER KING: Oh, oh, okay.

MR. D. BIGLEY: Yeah, I...I've, you know, we've...we've decided that we...this company needs to continue for what...we've signed on to a 65-year, you know, commitment. So I felt, you know, we may need somebody else, and *(audio interference)*.

COUNCILMEMBER KING: Oh, 65 years, yeah, you might need to take over for your someday.

MR. D. BIGLEY: Yeah. And...and I thought I'd bring him on before I don't remember his name. *(Audio interference)*, you know.

COUNCILMEMBER KING: Hey, so I just want...I wanted to ask, are you doing the LEED certification on all of your projects, or just all the ones in Hawai'i?

MR. D. BIGLEY: Yeah, no, we're doing them all. We're doing LEED certification all over. Yes, you know, not just in Hawai'i.

COUNCILMEMBER KING: That's what I thought. You know, and I wanted to thank you for that. But I also wanted to let you know that I talked about that at...when I was at COP-26, at the...you know, *(audio interference)*, and the woman from the head LEED office, national office, came up to me and said, you're the only one who's talked about LEED certification this entire conference.

MR. D. BIGLEY: Oh, really? Yeah.

COUNCILMEMBER KING: She was extremely happy. I guess people aren't talking about it. But, you know, I just want...I want...I think it's something you need to advertise. Because if you can do it for this level of affordable housing, we should be able to do it for any buildings, really.

MR. D. BIGLEY: Yeah, yeah. One of the things that I was...kind of alluded to before is there's...when you go onto the LEED certification checklists, there are actually things I think that are actually beneficial to the project in terms of, you know, the economics of the project. I think people lose sight of that. There are tradeoffs, and if you plan it up front, it...well, I can tell you we can do it, because we have, you know, and...and I won't take credit for it.

COUNCILMEMBER KING: Well, and is part of the program...is part of the program that you keep track of the savings, and the efficiencies over *(audio interference)*?

MR. D. BIGLEY: Yeah, we...we...we don't, per se, but we know...that...it...it...there's a delta...there's some cost to get, you know, higher up the food chain, you know, so if you want to get up to, like...when you hit gold, but the delta is so...so, I think, relatively insignificant relative to the value payoff that you get in the end for the tenants. And just...just everything works better, I think, you know, and so...and I

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won't take credit...and I told you, I'll just be very brief, but I...I won't take credit for all of this because the design team that we have, which--I think I might have told you, my wife runs the design team. She was very into this long before it was novel. I mean, and...and I gave her a budget, and I said, as long as you can keep it into a budget. I was surprised, as a developer, to see how far she was able to go. It surprised me.

COUNCILMEMBER KING: Yeah. I just think it would be helpful for those of us who are trying to push, you know, other developers, and not even just affordable housing, but commercial developers to go...you know, to go this route, and to take these climate actions, you know, if we can show the amount of savings you have, and the amount of efficiencies you're...you're reaching.

MR. D. BIGLEY: Yeah, I can...I can...what I'll do at some point, you know, for you, is I can kind of get a feel from her as to what exactly...where her most...you know, her savings are. And I just...it's hard, but once you go through it, then you know it, and then it's kind of come second nature to us, so it's not that difficult to do, you know. And we've been able to go from silver to gold pretty easily, and I...and then we had one, we're flirting with platinum now on a few, so...

COUNCILMEMBER KING: Wow.

MR. D. BIGLEY: Yeah. So we'll see. It's on a...it'll be on kind of a case-by-case...you know, on a case-by-case basis, but --

COUNCILMEMBER KING: *(Audio interference)* we do that *(audio interference)*.

MR. D. BIGLEY: -- we *(audio interference)*. Yeah. You know, it's...it's...and I think overall that...you know, and I know why they do it now, but I...the problem is, it's people are caught in kind of their own, you know, historic way of developing. You know, I was shaken out of mine so, you know, she made me get the Nature Conservancy card and they charge everything on that.

COUNCILMEMBER KING: *(Audio interference)*

MR. D. BIGLEY: So she really...you know California, she's kind of, you know, into that. So anyway, we'll...we'll...we'll do more of the...I can work it.

COUNCILMEMBER KING: All the...all the extra work you're doing on climate action is because...

MR. D. BIGLEY: Um-hum. It's critical now, sure.

CHAIR JOHNSON: Okay, Members, any other...oh, we do have one from Councilmember Paltin, we're going to be a bare quorum here, and this is our last presentation, Members. So go ahead, Councilmember Paltin.

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COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Bigley. So we don't anticipate any obstacles, or hold ups for Kūku'ia?

MR. D. BIGLEY: Kūku'ia? Oh, we don't. We don't. For Kūku'ia? No. I mean, we've had them, but...you know how...you know, it's been a grind, but we're going to get there.

COUNCILMEMBER PALTIN: Okay, great.

MR. D. BIGLEY: You know, the point is, is we...we approach it with a sense of urgency. I will tell you, because somebody asked earlier, the rain has been complicated for the other one, but we manage. I think we'll have a claim on that one, but we'll still get it done, so other than that, we're okay.

COUNCILMEMBER PALTIN: Folks were asking me about Kupuohi, if there's any traffic mitigations planned when people move into Kupuohi? Because I guess right now, the traffic is already backing up if anyone wants to make a left turn, past Island Grocery Depot.

MR. D. BIGLEY: Yeah. You know, there's some dollars...as you know, the project paid for a certain...which I think we ought to collectively figure out what the best execution on that money is, because I do think it needs traffic mitigation. But we'll also...what I was indicating to...and I'll just be very brief...with traffic mitigation, the issue with...people still see affordable housing in the same light as they see any...any...you know, any housing project or any commercial project, and it's just not. And by that, I mean, we hope to attract that neighborhood, right? So I've got...it was interesting, as you recall, and you may recall when we went to that hearing that we had out there in Lāhainā, they were all saying, well, we don't...you know, boy, you're going to put another building up here and everything, and then when the restaurants found out what the rents were, and their people could maybe walk over and walk back, they thought that might be a pretty good idea. You know, because again, it does...there is a mitigator in there. I'm not saying it's 100 percent mitigation, but I'm saying it's never factored in to a...to a traffic study as to what mitigations we can do. That...and...and last thing I'll say on this, but we're going to have a service coordinator at Kūku'ia that will service also Kupuohi, and that service coordinator, as part of the responsibility, is to line up all sorts of alternative traffic, you know, mitigation things. So we're also going to work towards, you know, what you can do in lieu of, you know, getting in your car and driving and all of that. So that's part of the education process that we'll bring there. And when we come out there to have meetings...because I haven't been out there, you know, a while, because of the...you know, I don't know if you know, we've had this COVID issue thing going on. I don't know if anybody's heard about that. It's been kind of an issue. But for you, and for everybody when we talk, I really want to get that through as to what we can do as a group to maybe help to mitigate. Because that traffic is a bear. And you know, I live...we live in that neighborhood now, so...and we're not going to go for a long time, so it's a...it's important to us. And we're also proposing some other mitigators on Kūku'ia too, and that we should talk about, you know, for mitigation of traffic, so...

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CHAIR JOHNSON: Thanks for that clarification, Mr. Bigley. Councilmember Paltin, we're going to lose bare quorum here, so are we good? All right. Thank you. Members, I...I...you know, we got 17 presentations in a couple hours here, and we knocked it out. So thank you for bearing with me. And we got all the folks here, so thanks for everyone for your participation today. I hope we all have a better sense of those priority projects, and what we still need to meet our affordable housing demands in the County. I know we look --

COUNCILMEMBER KING: Chair, can I ask you something really quick?

CHAIR JOHNSON: Yes.

COUNCILMEMBER KING: Because I know you have to go. Do you have, like, a count for all the units that we...you know, all the projects that we heard today? How many units that is?

CHAIR JOHNSON: Oh, I mean, no, I did not tally them all up, but we can tally them all up, and I'll send you an email. But that's...that is...it's significant. Like, we got all of the priority ones, okay? So you know, I'll get back to you on the actual numbers, that...Councilmember King. So Members, if there's no objections, the Chair will defer this item.

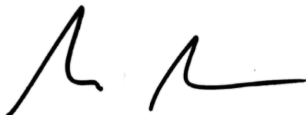
COUNCILMEMBERS VOICED NO OBJECTIONS (excused: AL, KRF, SS, TK)

ACTION: DEFER pending further discussion.

CHAIR JOHNSON: Okay. All right. The item is deferred. It is 5:08 p.m., and...on January 3rd, 2022. The Affordable Housing Committee is adjourned. . . .(gavel). . .

ADJOURN: 5:08 p.m.

APPROVED:



Gabe Johnson, Chair
Affordable Housing Committee

ah:min:kr

Transcribed by: Kaliko Reed

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CERTIFICATION

I, Kaliko Reed, hereby certify that pages 1 through 66 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 27th day of January 2022, in Wailuku, Hawai'i

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

Kaliko Reed