

COUNCIL OF THE COUNTY OF MAUI  
**HUMAN SERVICES AND  
ECONOMIC DEVELOPMENT COMMITTEE**

February 16, 2001

Committee  
Report No.

01-15  
As Amended

NOTE: The recommendations contained in this committee report were amended by the Council at its meeting on March 2, 2001, by deleting the bracketed material and underscoring the new material. This committee report was then adopted as amended.

Honorable Chair and Members  
of the County Council  
County of Maui  
Wailuku, Maui, Hawaii

Chair and Members:

Your Human Services and Economic Development Committee, having met on February 1, 2001, makes reference to the following:

1. County Communication No. 00-316, from the Director of Housing and Human Concerns, transmitting a proposed resolution entitled "ACCEPTING DEDICATION OF LAND PURSUANT TO SECTION 3.44.015, MAUI COUNTY CODE".

The purpose of the proposed resolution is to accept approximately seven acres of land (located in Lahaina, Maui) from Pioneer Mill Company, Ltd. for the proposed West Maui Resource Center Project.

2. County Communication No. 01-54, from the Director of Housing and Human Concerns, transmitting a document entitled, "APPLICATION FOR HOUSING DEVELOPMENT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES" for the proposed West Side Resource Center, and two proposed resolutions entitled:
  - a. "APPROVING THE WEST SIDE RESOURCE CENTER PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES"; and

COUNCIL OF THE COUNTY OF MAUI  
**HUMAN SERVICES AND  
ECONOMIC DEVELOPMENT COMMITTEE**

February 16, 2001  
Page 2

Committee  
Report No. 01-15  
As Amended

- b. "DISAPPROVING THE WEST SIDE RESOURCE CENTER PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES".

The purpose of the proposed resolutions is to either approve or disapprove the West Side Resource Center project.

Your Committee notes that under Section 201G-118, Hawaii Revised Statutes, the County Council has 45 days to either approve or disapprove of the subject project. Your Committee further notes that the deadline for the Council's approval of the project is March 5, 2001.

By memorandum dated January 31, 2001, Councilmember Hokama requested answers to a series of questions relating to project funding.

At its meeting, your Committee met with the Director of Housing and Human Concerns; the Director of Finance; a Deputy Corporation Counsel; and Charles Ridings, Executive Director of Maui Economic Concerns of the Community (MECC).

Six testifiers spoke in support of the proposed project. In stating their support, the testifiers said that (1) homelessness is a growing problem on the West side; (2) in addition to a homeless center and affordable housing rental units, the project will provide much needed job skills, life skills and substance abuse treatment services for the people of West Maui; (3) the socio-economic structure of Lahaina has changed due to the closure of the Mill and the loss of employee housing; and (4) the Federal and State welfare cutbacks will have a drastic effect upon recipients this year, therefore furthering the need for a homeless shelter and affordable housing.

One testifier who spoke in opposition of the proposed project, noted that it was "not a crime to be poor." He also stated that there will always be a segment of society that is poor. The testifier further questioned the rules that govern MECC's other facilities, Ka Hale A Ke Ola Homeless Resource Center ("homeless resource center") and Hale Makana O Waiale ("affordable rental housing units"). In addition, the testifier questioned the warranty deed and environmental impact statement for the project.

Three of the testifiers also provided their statements in writing.

COUNCIL OF THE COUNTY OF MAUI  
**HUMAN SERVICES AND  
ECONOMIC DEVELOPMENT COMMITTEE**

February 16, 2001  
Page 3

Committee  
Report No. 01-15  
As Amended

Mr. Ridings stated that the MECC's homeless resource center and affordable rental housing units in Central Maui serve 1,000 people per day, approximately 1 percent of Maui's population. Clients must attend mandatory classes to learn job skills, life skills or to deal with substance abuse. There are three rules that clients must abide by: (1) no drugs; (2) no alcohol; and (3) no violence. Of the clients that are admitted into either the homeless resource center or affordable rental housing units, 15-30 people are asked to leave the premises each year due to either drug or alcohol use. After six months, they are allowed to reapply. They also have the opportunity to reapply earlier if they attend or complete a substance abuse rehabilitation program.

Mr. Ridings further noted that the need for affordable housing units is great. By both County and State law, the maximum time each person can spend at the homeless resource center is two years. The average length of stay is 13-15 months. He noted that it is difficult to move people from a homeless shelter directly to the commercial-priced residential rental market. Therefore, MECC developed its affordable rental housing units to provide a transition for clients moving from the homeless shelter. Costs range from \$325 for a studio apartment to \$625 for a four-bedroom apartment. A portion of the rent collected from residents is set aside for the client's first month's rent upon leaving the facility.

In summary, Mr. Ridings stated that the intent of the West Side Resource Center is to duplicate MECC's Central Maui facilities and programs for the people of West Maui.

Your Committee had a number of questions related to County funding and the unpaid balance of MECC's original affordable housing rental unit project. Mr. Ridings explained that while there is still a balance owed to the County, he is working out a payment plan with the Director of Finance.

The Director of Finance concurred with Mr. Riding's statement, adding that the auditors have also requested a written agreement on the repayment of the debt.

Your Committee also questioned the exemptions that were being requested by MECC. The requested exemptions would waive the requirement

**COUNCIL OF THE COUNTY OF MAUI**  
**HUMAN SERVICES AND**  
**ECONOMIC DEVELOPMENT COMMITTEE**

February 16, 2001  
Page 4

**Committee**  
**Report No.** 01-15  
As Amended

for a number of building, park dedication, zoning, environmental protection and other regulatory requirements.

Mr. Ridings noted that the same exemptions were requested and subsequently granted for MECC's Central Maui facilities. He further noted that the exemptions are permitted under Section 201G-118, Hawaii Revised Statutes.

Your Committee initially voted to recommend that the resolution entitled, "APPROVING THE WEST SIDE RESOURCE CENTER PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES" be adopted. Your Committee voted to reconsider this action, in order to consider Councilmember Hokama's questions listed in his memorandum dated January 31, 2001. Your Committee subsequently requested that Mr. Ridings respond to the questions in writing prior to the Council meeting of February 16, 2001.

Your Committee voted to recommend that the resolution entitled, "APPROVING THE WEST SIDE RESOURCE CENTER PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES" be adopted.

The Director of Housing and Human Concerns provided an overview of the subject land dedications proposed by Amfac/Pioneer Mill Co., Ltd. She noted that the land dedication consists of two separate parcels [TMK: (2)4-6-015:por. 01, approx. 5 acres, Lahaina, Wainee Subdivision, Lot 2 and TMK: (2)4-6-026:057, approx. 1.864 acres, Pioneer Mill Office Site, Lahaina].

The Director of Housing and Human Concerns also noted that Amfac is using the proposed land dedication to fulfill an affordable housing requirement that was a condition of an earlier project.

Your Committee noted that the subject parcels did not have clear title. A Deputy Corporation Counsel stated that he is aware there is a break in the chain of the title for the parcels. It appears that the title for only a small portion of the five-acre parcel is in question, while the title for the majority of the 1.864 acre parcel is in question. However, he stated that the Department of the Corporation Counsel has negotiated an agreement with Amfac/Pioneer Mill Co., Ltd. which states that if the County accepts the subject parcels without clear title,

COUNCIL OF THE COUNTY OF MAUI  
**HUMAN SERVICES AND  
ECONOMIC DEVELOPMENT COMMITTEE**

February 16, 2001  
Page 5

**Committee**  
**Report No.** 01-15  
As Amended

Amfac/Pioneer Mill Co., Ltd. will indemnify the County of any costs related to potential lawsuits over the title of the property.

The Director of Housing and Human Concerns noted that only the five-acre parcel is needed for the West Side Resource Center, however, the 1.864 acre parcel would allow for future expansion of services in that area.

Your Committee briefly considered drawing up two separate resolutions to accept each parcel separately. The Deputy Corporation Counsel stated that Amfac/Pioneer Mill Co., Ltd. should be consulted prior to separating the land dedication. He noted that the company is using the dedication of both parcels to fulfill an outstanding affordable housing requirement.

Your Committee requested that the Director of Housing and Human Concerns explore the possibility of separating the land dedication into two separate parcels with Amfac/Pioneer Mill Co., Ltd. prior to the Council meeting of February 16, 2001. In the meantime, the Committee stated that it did not want to delay the West Side Resource Center project and voted to recommend that the proposed resolution entitled, "ACCEPTING DEDICATION OF LAND PURSUANT TO SECTION 3.44.015, MAUI COUNTY CODE" be adopted and that County Communication No. 01-54 be filed. Your Committee noted that it would keep County Communication No. 00-316 in Committee in order to allow for the possibility of separating the land dedication into two parcels.

Your Human Services and Economic Development Committee **RECOMMENDS** the following:

COUNCIL OF THE COUNTY OF MAUI  
**HUMAN SERVICES AND  
ECONOMIC DEVELOPMENT COMMITTEE**

February 16, 2001  
Page 6

Committee  
Report No. 01-15  
As Amended

1. That Resolution No. \_\_\_\_\_, attached hereto, entitled "ACCEPTING DEDICATION OF LAND PURSUANT TO SECTION 3.44.015, MAUI COUNTY CODE" be [ADOPTED] RECOMMITTED;
  
  2. That Resolution No. \_\_\_\_\_, attached hereto, entitled "ACCEPTING DEDICATION OF LAND PURSUANT TO SECTION 3.44.015, MAUI COUNTY CODE" be ADOPTED;
  
  3. That Resolution No. \_\_\_\_\_, attached hereto, entitled "APPROVING THE WEST SIDE RESOURCE CENTER PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES" be ADOPTED; and
- [3.]4. That County Communication No. 01-54 be FILED.

Adoption of this report is respectfully requested.

COUNCIL OF THE COUNTY OF MAUI  
**HUMAN SERVICES AND  
ECONOMIC DEVELOPMENT COMMITTEE**

February 16, 2001  
Page 7

Committee  
Report No. 01-15  
As Amended

---

**ROBERT CARROLL** Chair

---

**PATRICK S. KAWANO** Member

---

**JO ANNE JOHNSON** Vice-Chair

---

**MICHAEL J. MOLINA** Member

---

**G. RIKI HOKAMA** Member