



# MAUI COUNTY COMMISSION ON PERSONS WITH DISABILITIES

95 MAHALANI STREET, ROOM 20 • WAILUKU, HI 96793 • PHONE (808) 270-7755 • FAX (808) 270-7935

## Meeting Minutes

May 13, 2021

12:30 p.m.

Virtual Meeting via BlueJeans Video/Teleconference

Meeting Link: <https://bluejeans.com/219553819?src=calendarLink>

**Call to Order:** 12:39 p.m.

**Commissioners Present:** Evalina Watanabe (Chair), Kimberly West (Vice Chair), Joseph D’Alessandro, Beverly Stanich, Sarah Collins, Susan Lussier (by phone).

**Commissioners Absent:** Ricky Sanches (excused), Melody Uchimura (excused), John Copeland (unexcused)

**Guests Present:** Developmental Disabilities Council: Zosimo Arista and Daintry Bartoldus; Aloha Independent Living Hawaii: Brian Hauser; Councilman Gabe Johnson; Executive Assistant for Councilman G. Johnson: Keisa Liu; Hawaiian Community Assets: Jeff Gilbreath and Rhonda Alexander-Monkres; Chase Nawahine

**County Staff Present:** Maui County Office on Aging (MCOA): Deborah Stone-Walls, Rae-Ann Pagatpatan, Claudette Medeiros, James Mariano; Maui County Deputy Corporation Counsel Jennifer Oana; Mayor’s Office: Ipo Mossman; Managing Director’s Office: Jason Moore, EEO Specialist/ADA Coordinator

<i>Agenda Item</i>	<i>Discussion</i>	<i>Action</i>
1. Call to Order and Roll Call	Meeting called to order by Chair Watanabe at 12:40 pm. Roll call taken: 6 members present, 2 members excused, 1 member unexcused. Welcome to new Commissioners Sarah Collins and Susan Lussier. Commissioners briefly introduced themselves to everyone present.	There is quorum.
2. Public Testimony on Agenda Items	There was no one from the public who logged/called in to testify.	Public testimony closed.
3. Approval of Meeting	Commissioners reviewed the meeting minutes of April 8, 2021.	Commissioner West moved to approve the minutes, seconded



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<p>Minutes- April 8, 2021</p>		<p>by Commissioner D'Alessandro. No discussion. All in favor 6-0 of approving the minutes; motion passed.</p>
<p>4. New Business</p>	<p>A. Presentation by Hawaiian Community Assets on the Maui County Housing Plan: Jeff Gilbreath, Executive Director and Rhonda Alexander-Monkres, Program Manager, Financial Opportunity Center.</p> <p>i. A PowerPoint presentation was shown describing the scope of work of the housing plan and the progress to date. Their report is a draft right now. The plan needs to be submitted June 30<sup>th</sup>.</p> <p>Scope of Work- Improve workforce housing ordinance and other County policies to increase building of affordable homes for local families and create a plan to build 5,000 affordable homes at/or below 120% area median income with a focus on Central Maui, South Maui and West Maui.</p> <p>Salient points-</p> <ul style="list-style-type: none"> <li>• Community engagement and research-- 11 community meetings, 256 community member surveys, 45 key stakeholder interviews, 12 study sessions with Councilmembers, landscape review of existing research and studies, 13 high-cost communities researched, 4 community share back meetings, report back to key stakeholders and County Departments and 2 Council study sessions</li> <li>• Construction material costs continue to rise while at the same time the County is trying to create about 5x the supply of housing to keep up with projections.</li> </ul> <p>B. Conversation with Councilmember Gabe Johnson, Chair of the Affordable Housing Committee regarding affordable/accessible housing for persons with disabilities.</p>	



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- i. Councilman Johnson stated that in the recent budget season he proposed increased taxes on investors and second homeowners using homes as short-term rentals, and helped secure \$8 million into the affordable housing fund. Councilman Johnson invites this Commission to contact him so that he can continue to advocate for persons with disabilities on the Council.

Commissioner Collins asked what some of the legal issues are with housing on Maui. Mr. Gilbreath mentioned the Minatoya Act and that their plan will speak to it but not make any recommendations. The Minatoya Act is a grandfather clause that allows for non-permitted vacation rentals to operate in residential zoned areas.

Chair Watanabe pointed out that from her experience many individuals with disabilities live on fixed income and there is limited if no housing available for them. There is often an age requirement too. Some of the few available accessible units, while may be suitable for someone who uses a wheelchair, may not be appropriate for someone who is Deaf.

Mr. Gilbreath responded that in Los Angeles County, they are requiring accessory dwelling units be part of most plans, making it Universal Designed focused, and to be built for the elderly and disabled. This commission can help them by educating about the need to determine the unit mix, 201-H projects, workforce, and low- income housing.

Councilman Johnson provided 3 recommendations that he can make: 1) Write legislation, such as building codes to address those concerns, 2) Help advocate the funding of needed programs (as addressed in the County Budget), and 3) Create Public Service Announcements to inform the Council and the public about the needs in the disability community.



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	<p>Commissioner West asked; How do we keep housing for the locals? Mr. Gilbreath responded that Kauai uses ‘qualified resident’ as a criteria requirement. San Diego County, for example, uses the durational definition; resident for the last 2 years. There may also be requirement to prove residency. Commissioner Lussier’s question: Is it discriminatory to target specific groups? Councilman Johnson replied that there are practices where it has been applied and is not considered discriminatory e.g., requiring an applicant to pick up a form in person. Mr. Gilbreath added that it is allowable to market a project to a specific zip code.</p> <p>Final recommendations: There are some developers (especially non-profit ones) wanting to work with lower AMI applicants. Partnerships with these groups including faith-based groups are needed.</p> <p>Ms. Alexander-Monkres added that Hawaiian Community Assets is available to help the public with financial counseling, debt consolidation and emergency loans.</p> <p>End of group discussion.</p>	
5. Unfinished Business	<p>A. Discussion on Memorandum from the County of Maui Charter Commission dated March 22, 2021 regarding its request for submittal of proposed charter amendments and/or recommendations.</p> <p>i. Deputy Corporation Counsel J. Oana shared that while this Commission is not written as part of the Charter but the County Code, this body can still provide feedback to the Charter Commission on proposed amendments to the Charter. Deputy Oana suggested to start a discussion on this matter. No further discussion by the Commissioners.</p>	Item deferred.





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8. Next Meeting Date	Meeting ended 2:05 pm.  The next meeting is scheduled for June 10, 2021 at 12:30 p.m. and will be virtual using BlueJeans.	Commissioner Stanich moved to adjourn meeting. Commissioner D'Alessandro seconded. All in favor 6-0; no objections. Motion passed.
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Submitted by James Mariano, Program Specialist (Maui County Office on Aging), 6/7/21

DRAFT

## Maui Comprehensive Affordable Housing Plan

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**Overview.** In November 2020, Hawaiian Community Assets (HCA) was contracted by the Maui Office of Council Services to develop a comprehensive affordable housing plan for the County of Maui. The plan calls on HCA and its team of subcontractors to: (1) improve the County's workforce housing ordinance and other County policies to increase building of affordable homes for local families focused on meeting the need in 2019 Hawaii Housing Planning Study, and (2) create a plan to build 5,000 affordable homes for local households at or below 120% area median income (AMI) with a focus on Central Maui, South Maui, and West Maui.

**Methodology.** The HCA team's methodology to identify draft recommendations has been centered on community engagement and research. In particular, the HCA team has conducted a landscape review consisting of 16 documents to inform priorities and issues related to affordable housing, 11 community meetings to identify potential solutions, 45 key stakeholder interviews, and 12 study sessions with Council members. A survey has been administered, which has received feedback from 256 community members and 13 high-cost communities have been researched for their community development solutions. More than 1,000 Maui County residents have been engaged through the process.

**Key Findings.** As a result of the HCA team's community engagement and research activities, key findings have been identified:

- The County's workforce housing ordinance requires 20% workforce units (at or below 140% AMI), but the County's local families need 54% to be workforce homes (2019 Hawaii Housing Planning Study)
- Developers cannot provide more than 25% workforce units without adequate support as shown by the lack of development when the requirement was higher at 50% (County Permitting, 2007-2014)
- Major infrastructure projects are a huge impediment to new development.
- The County needs to take responsibility on community serving infrastructure, target affordability of homes, and bring certainty to the planning and development process.
- There are an estimated 1,800 affordable rentals planned for the County over the next 5 years, but very few homeownership opportunities. Affordable homeownership opportunities will need developers to build market rate housing and dedicate land to achieve long-term affordability.

**Proposed Strategy.** The HCA team's proposed strategy includes the following:

1. Change the County's workforce housing ordinance from 20% of total units in a development to be at or below workforce housing affordability to 25% of land to be dedicated to the County.
2. The County would then donate the land to nonprofits that would manage the lands for long-term housing affordability.
3. Nonprofits would contract partners to build with higher density in order to increase the percentage of workforce units to 54% of the total development and for targeting at all AMI levels.
4. The County will increase its annual allocation to the Affordable Housing Fund for community serving infrastructure and subsidies to reduce home rental and sales prices on local families.
5. The County would then use its bonding capacity and charge infrastructure fees to recoup a portion of costs. Fees would be waived for affordable homes.
6. The Council will establish a review process that creates certainty and allow for ongoing community engagement.

The HCA team has developed a set of draft recommendations (enclosed) that will be key in implementing the proposed strategy and should be considered as a whole and not piecemeal.

**Impact.** The proposed plan will build an estimated 5,000 rental and for-sale homes with long-term affordability for local residents earning less than 30% AMI and up to 120% AMI.

<b>2,500 Affordable Rentals</b>		
<b># of Homes</b>	<b>AMI %</b>	<b>Monthly Rent*</b>
1,875	<50	\$560-\$1,300
425	51-60	\$1,150-\$1,600
200	61-80	\$1,800-\$2,100

\*Includes utilities

75% of the homes will be affordable for local families at or below 50% AMI. 25% of the homes will be affordable for local families 51%-80% AMI.

<b>2,500 Affordable For-Sale Homes</b>			
<b># of Homes</b>	<b>AMI %</b>	<b>Monthly Mortgage**</b>	<b>Est. Purchase Price</b>
800	51-80	\$868-\$1,660	<\$350,000
800	81-100	\$1,661-2,114	\$350,001-\$400,000
900	101-120	\$2,115-2,464	\$401,000-\$450,000

\*\*Includes principal, interest, taxes, insurance, and HOA fees

4,450 market rate homes estimated at a sales price of \$550,000 and above will likely be required to make land available through nonprofits for the development of affordable for-sale homes.

<b>Total Homes Built</b>	10,000
<b>Market Homes Built</b>	4,450
<b>Workforce Homes Built***</b>	550
<b>Affordable Homes Built****</b>	5,000
81-120% AMI Homes Built	1,700
51-80% AMI Homes Built	1,425
<50% AMI Homes Built	1,875

\*\*\*For households 121-140% AMI

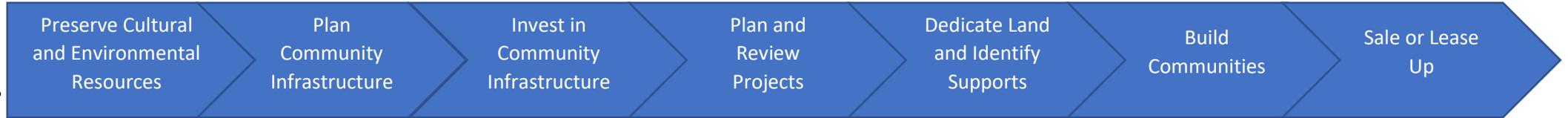
\*\*\*\*For households at or below 120% AMI

## Maui Comprehensive Affordable Housing Plan Recommendations

### MY 'OHANA



### MY COMMUNITY



<p><b>Family and Community Resource Management</b></p> <ul style="list-style-type: none"> <li>• Prepare to Qualify for a Home</li> <li>• Learn About Projects</li> <li>• Preserve Cultural and Environmental Resources</li> <li>• Plan Community Infrastructure</li> </ul>	<p><b>Make Home Affordable</b></p> <ul style="list-style-type: none"> <li>• Build or Apply for a Home</li> <li>• Dedicate Land and Identify Supports</li> </ul>
<p><b>Make Home Possible</b></p> <ul style="list-style-type: none"> <li>• Receive Housing Supports</li> <li>• Qualify for a Mortgage or Rental</li> <li>• Invest in Community Infrastructure</li> <li>• Plan and Review Projects</li> </ul>	<p><b>Build Communities</b></p> <ul style="list-style-type: none"> <li>• Approved for a Home</li> <li>• Move Home</li> <li>• Build Communities</li> <li>• Sale or Lease Up</li> </ul>

## MY 'OHANA

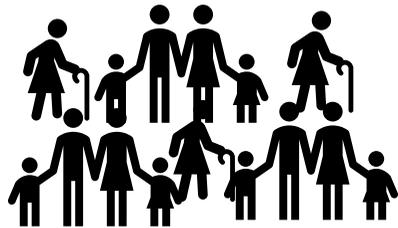


**Establish First-Time Homebuyer and Affordable Renter Programs.** Establish programs to prequalify local renters and homebuyers for affordable housing opportunities and provide assistance to make homes affordable. The programs should include HUD housing counseling, grants and loans for obtaining rentals and purchasing or building homes, rent assistance, and mortgage financing. The Department of Housing and Human Concerns (DHHC) would need to issue an RFP to contract qualified nonprofits to administer and deliver programs.

**Referral of potential renters and homebuyers.** Builders and developers would be able to refer their waitlist individuals to work with contracted nonprofits to get prequalified for affordable housing supports provided through the Affordable Housing Fund. This will reduce lease up or sales timelines for the developer and better streamline local families into affordable homes.

**Invest in creative solutions to houselessness.** Utilize Affordable Housing Fund monies to support creative solutions to houselessness and pilot projects, including, but not limited to, (1) development of temporary structures like yurts, tenatalos, tiny home villages, and containers on land that is not suitable for permanent housing structures, (2) use of County-owned and private commercial buildings for adaptive reuse modeled after the UH Dorms project, and (3) contracting of nonprofits for the building and maintenance of kauhale and other supportive housing models on County-owned lands.

## MY COMMUNITY



**Use of Affordable Housing Fund for cultural resource preservation.** The Council may need to expand eligible uses of the Affordable Housing Fund to include funding of archeological inventory surveys and partnerships for archeological monitoring. The DHHC could contract the University of Hawai'i (UH) and/or a nonprofit to certify cultural practitioners as archeological inventory survey monitors and pay certified monitors for affordable housing projects on County-owned lands to create greater certainty and reduce development costs and home prices for local families.

**Contract for comprehensive cultural inventory assessments and archeological impact surveys.** DHHC may need to contract a private entity for comprehensive AIS/CIA for affordable housing projects on County-owned lands.

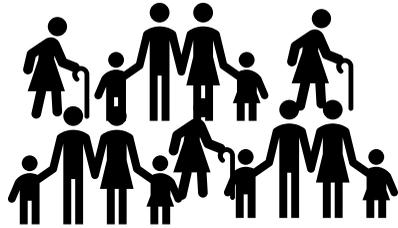
**Contract for comprehensive environmental assessment.** DHHC would need to contract a private entity to conduct a comprehensive EA for developments with affordable housing units.

### MY 'OHANA



**Market affordable homes to prequalified renters and homebuyers.** Builders and developers would be able to market affordable homes to renters and homebuyers prequalified by contracted nonprofits as their application period opens.

### MY COMMUNITY



**Conduct infrastructure assessments for priority areas.** County Departments will conduct infrastructure assessments for 3 community plan and priority areas determined most suitable for 5,000 affordable homes. This work will include planning to identify highest priority projects and contract with design engineers to get specifications so the County can reduce the development timeline. Costs for affordable housing projects on County-owned lands could be reduced by contracting with the engineering department at UH.

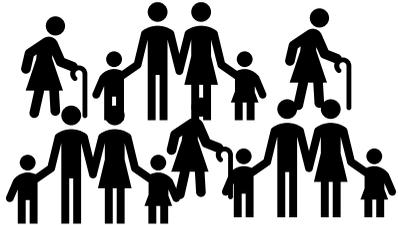
**Dedicate existing funds for community serving infrastructure.** County Departments will need to dedicate existing resources to community serving infrastructure with a priority of unlocking opportunities for affordable and workforce housing for local families based on the most recent Hawai'i Housing Planning Study.

## MY 'OHANA



**Make home possible for families.** Renters and homebuyers will get prequalified for individual development accounts (IDAs), grants and loans with nonprofits contracted to deliver the First-Time Homebuyer and Affordable Renter Programs. IDAs will help with first month's rent/deposit and down payment/closing costs. Grants and deferred payment mortgage loans will help buy down the price of a home to make sure they are affordable for local families at or below 120% AMI. Loans will also be made to families to build 'ohana units as long as the renter is family and at or below 80% AMI. Additional project-based housing support grants will be made available through affordable housing development RFPs to target affordability for extremely-, very-low, and low-income families based on the most recent Hawai'i Housing Planning Study.

## MY COMMUNITY



**Align new and existing resources for community serving infrastructure.** County Council and County Departments will need to align new and existing resources within the Affordable Housing Fund and dedicate funding specifically to the development of community serving infrastructure.

The County Departments will need funding for additional staffing, contracting, and development plans. This funding will be in addition to the County Departments' current funding which is used to maintain existing infrastructure.

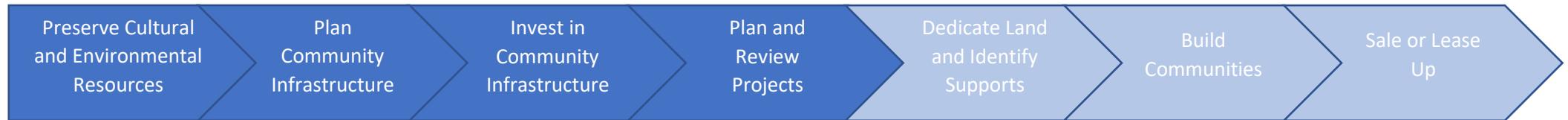
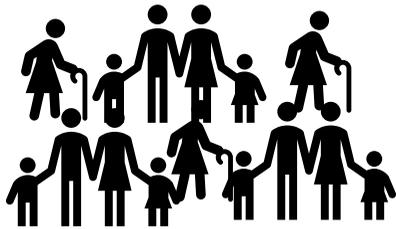
The County should consider new resources to align with existing resources for community serving infrastructure, including, but not limited to resources from the County, capital improvements project allocations, funds from the State Revolving Fund and Hawai'i Housing Finance and Development Corporation, Federal funds such as HOME, CDBG, USDA, and resources through a potential Federal infrastructure bill going through the US Congress now, and private funds through community development financial institutions and foundations.

## MY 'OHANA



**Access affordable mortgage financing.** Local families enrolled in First-Time Homebuyer Programs will receive assistance qualifying for Federal mortgage programs, subsidies at Hawai'i Housing Finance and Development Corporation, and local banks and credit unions. Prequalified families at or below 120% AMI will have access to down payment assistance and deferred payment loans to reduce the first mortgage costs so that local families can afford the purchase price of new homes. DHHC, or a contracted nonprofit or nonprofits, will monitor long-term affordability of homes.

## MY COMMUNITY



**Reduce development timeline for proposed projects.** The County's project review process should be updated so the Planning Department receives project proposals and review projects based on design standards that align with community plans. Projects that meet design standards will be approved and submitted to the DHHC for the public review process. Projects that do not meet the standards will be sent back to the proposer with a request for items that need to be addressed. Projects will be updated on MAPS to inform developers where their proposal is at in the entitlement process. A concierge desk and/or housing development coordinator could be created to reduce the development timeline and communicate with County staff and developers.

**Review affordable housing project proposals.** The DHHC may implement, or contract a nonprofit to administer, a public process to solicit development proposals from developers for County-owned lands. RFPs will specify income targeting for projects based on the most current Hawai'i Housing Planning Study. Proposals will be reviewed by a public review committee consisting of committee members as follows: 1/3 private with diverse sector representation (developers/builders/lenders), 1/3 community members, 1/3 public (individuals from the public sector, such as the DHHC Director, County Council affordable housing committee chair, and/or individuals appointed by Councilmembers with required skill sets). Funding recommendations by the public review committee will be forwarded to the DHHC to solicit public comment, complete final review/negotiation with developer, and submit recommendations to the County Council for approval.

**Create opportunity for community engagement.** The DHHC may conduct, or contract a nonprofit to conduct, community meetings for proposed housing projects. Renters and homebuyers prequalified by through the Affordable Renter and First-Time Homebuyer Programs should also be engaged in the process. Feedback will be gathered and included in project information when they go to the County Council for approval.

## MY 'OHANA

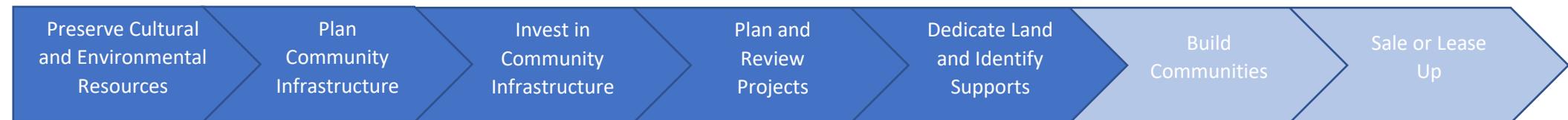
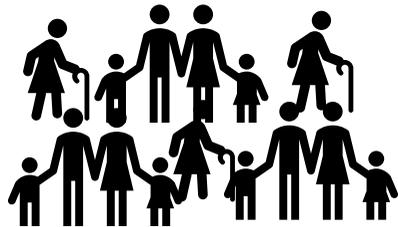


**Help build 'ohana units.** The DHHC will contract a nonprofit to directly, or through contracts with one or more nonprofit organizations, manage requests for Affordable Housing Fund financing for 'ohana units. 'Ohana units will be fast tracked through the 2.97 process and families should be allowed one or more units on residential and/or agricultural lands. Property owners wishing to build units can secure financing from the Affordable Housing Fund as long as they agree to keep the home affordable which will be monitored by DHHC or a contracted nonprofit. Affordable Housing Fund loan amounts, rates and terms will depend on the level of affordability the owner agrees to. Community development financial institutions, credit unions and banks can serve as lending partners. A partnership with UH could provide architecture students to assist County residents with 'ohana unit plans and save money for the family.

**Promote pre-approved home plans.** The Planning Department should contract a private entity to establish a website that makes existing pre-approved home plans easily accessible for the public and work with developer partners, architects, and private experts to pre-approve additional home plans for more streamlined building by owner-builders, nonprofits, and developers.

**Invest in manufactured housing plant and locally-sourced building materials.** The County should identify land within its portfolio suitable to establish a manufactured housing plant. The DHHC could issue an RFP for building and management of the plant on County-owned lands to increase the number of home models that can be produced in bulk, put together onsite in a short amount of time, reduce development costs on local families, and create training opportunities for next generation home builders. The site could also serve as grounds for piloting development of locally sourced building materials, such as bamboo and hempcrete.

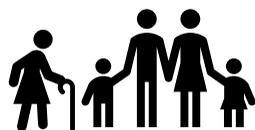
## MY COMMUNITY



**Contract nonprofits for land management.** Developers, under the proposed revisions to the 2.96 ordinance, will dedicate 25% of the land for each development to the County. The DHHC will move land into a contracted nonprofit or nonprofits, including existing County-owned land identified as suitable for housing development.

**Affordable housing review.** Developers of affordable housing projects will go through the 2.97 process only and meet standard design guidelines. The public review committee responsible for accepting development proposals would award affordable housing supports for projects in order to target affordability based on the most recent Hawai'i Housing Planning Study. The County should update its Maui Sales Price Guidelines to limit monthly principal, interest, taxes, insurance, mortgage insurance, and HOA fees at 30% of gross monthly income of homebuyers. Affordable rents should include rent plus utilities and be capped at no more than 30% of gross monthly income.

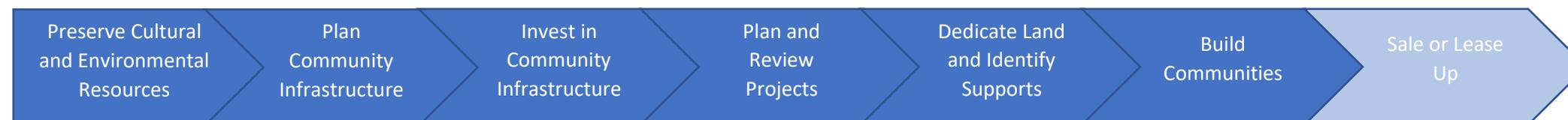
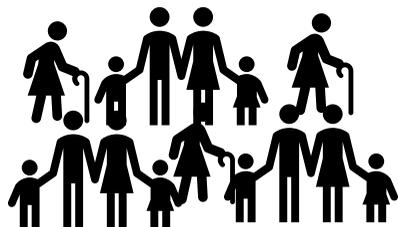
## MY 'OHANA



**Partner with mortgage lenders for affordable mortgages and grants.** Families in the First-Time Homebuyer Program will work with nonprofits and local mortgage lenders to secure affordable financing to buy a home. Banks and nonprofits will partner with the County to bring more grants and support to local families for affordable homes.

**Reduce wait time and marketing period.** Developers will not be required to maintain waitlists under 2.96. Nonprofits contracted to administer Affordable Renter and First-Time Homebuyer Programs will maintain a pipeline of pre-qualified renters and homebuyers. Developers, DHHC, and nonprofits will work together to get pre-qualified families into affordable homes as soon as possible to reduce the sale or lease up timeline. Affordable homes will have no marketing period to ensure no units go to market prices. In the event a developer is unable to sell the affordable home, DHHC, or a nonprofit, may purchase the home with Affordable Housing Funds and market for sale to local families prequalified through the First-Time Homebuyer Program.

## MY COMMUNITY



**Invest in capacity building.** The DHHC will use funds from the Affordable Housing Fund to contract a community development nonprofit to coordinate and facilitate a comprehensive capacity building and training for community members, public officials, developer partners, and community development nonprofits to help implement the plan. County Departments will contract for training to achieve a common understanding of what constitutes best planning practices, how to access Federal funds not currently being utilized by the County, and engage in the revisioning of a community planning process to bring alignment to the various plans governing property in Maui County, zoning code reform, and identify areas with boundary issues and resolve them. Working groups of County staff could cross-train one another on ordinances of other County Departments to promote cross-department collaboration required to move forward on affordable housing projects.

County Departments will need additional staff and contract with education institutions, nonprofits, and other private entities to implement the plan. An implementation plan guidebook that clearly defines the roles and responsibilities of all public and private partners may be necessary.

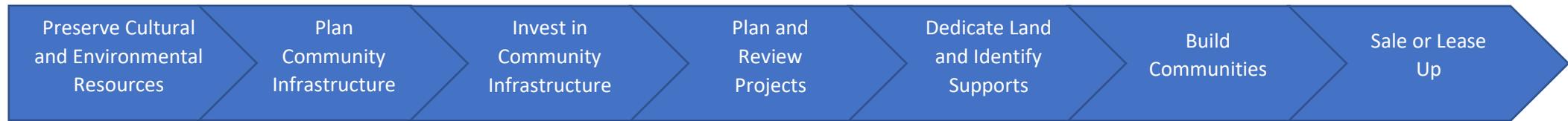
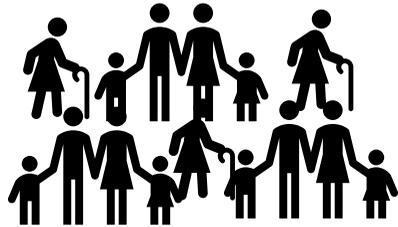
**Build homes.** County will partner with developers to build homes where community serving infrastructure has been developed. A preliminary project list has been provided to the County Council along with initial infrastructure assessments that prioritize: (1) smaller development projects (primarily rental), projects on County-owned lands, and pilot projects for houseless persons, (2) DHHL-County cost sharing for West Maui and Lanai, and (3) larger entitled projects in 3 target plan areas for affordable homeownership opportunities.

## MY 'OHANA



**Prepare families for long-term ownership.** Local families will receive support through the First-Time Homebuyer Program to develop a homeowner budget and support for sustained ownership. Families will be encouraged to have next generation homeowners in the households enroll in the First-Time Homebuyer Program to establish a culture of homeownership in our families.

## MY COMMUNITY



**Contract for sale and lease up.** Developers will contract realtors and other property management professionals for sale and lease up. A partnership with the realtor industry could be formed to potentially reduce costs of services for affordable rental and for-sale projects on County-owned lands.

**Monitor affordability.** All County-supported affordable housing units will be monitored by the DHHC or contracted nonprofits or a private entity to ensure long-term affordability.

**Annual report out progress on affordable housing plan.** The DHHC, with data from other County Departments, developers, and contracted nonprofits, will track and report out progress on the affordable housing plan to the County Council and in meetings with local resident in each community plan area. The DHHC could contract with a private entity to develop an online dashboard for public viewing that can be updated regularly to share progress on the affordable housing plan and inform data-driven decisions.