

From: Carmie on behalf of cspellman@hawaii.rr.com
To: [HOU Testimony](#)
Subject: FW: SB 2293 Affordable Housing Front Street Apartments 2018
Date: Thursday, February 1, 2018 2:08:01 PM
Importance: High



From: Carmie [<mailto:Carmie@hawaii.rr.com>]
Sent: Thursday, February 1, 2018 2:04 PM
To: 'Houtestimony@capitol.hawaii.gov'
Subject: RE: SB 2293 Affordable Housing Front Street Apartments 2018
Importance: High

Carmie Spellman
(Carmie@Hawaii.rr.com)
Front Street Apartments
224 Kenui Circle
Lahaina, HI 96761
January 18, 2018

To: The Honorable Will Espero, Chair; the Honorable Breene Harimoto, Vice-Chair and Members of the Committee on Housing
RE: Testimony in Support of SB 2293, RELATING TO AFFORDING HOUSING
From: Carmie Spellman, Front Street Apartments
Date: January 29, 2018
Re: SB 2293 Affordable Housing Front Street Apartments
Introducers: Senators BAKER, ENGLISH, INOUYE, KEITH-AGARAN, K. RHOADS, TOKUDA, S. Chang, Gabbard, Galuteria, Harimoto, Ihara, Nishihara, Ruderman

Dear Honorable Will Espero, Chair; the Honorable Breene Harimoto, Vice-Chair and Members of the Committee on Housing:

Thank you for this opportunity to submit written testimony in SUPPORT of SB 2293. I am tenant at the Front Street Apartments having moved in 2011. I am a disabled, retired Kupuna of Chinese Hawaiian descent (HAPA) living on a fixed income, below poverty level. Due to Traumatic Brain Injury (TBI), Anterograde Amnesia, Degenerative Disc Disease due to a Broken Back and numerous other fractures and health issues, I can no longer work. I am an educated woman but cannot even remember my telephone number without first looking it up. I use a cane, walker, and wheelchair in airports while traveling from Maui to Oahu for medical reasons.

I am in extreme duress due to the snafu that enabled the developers for the Front Street Apartments to squirm out of this 50 year contract! In 2012 they finally manipulated the IRS, Dept of Treasury into breaking and dishonoring this 50 year contract for Affordable Housing here at the Front Street Apartments in Lahaina, Maui, HI 96761. Allegedly all this was allowed and based on financial duress. They never intended to honor that contract because within 5 years they set out to break the contract along with other national investors. They managed to break this 50 year contract in 2012. They started renting these units in 2001. I moved in here on 2011! They have manipulated the County of Maui, State of Hawaii, Federal Government and also the Hawaii Housing Finance and Development Corporation. This is a disgrace and untenable!

Your support in keeping the rent affordable, honoring HUD, is desperately needed. I cannot ever work again due to my age, poor health. Furthermore, there is nowhere to go as there is NO affordable housing in Maui. There are no HUD rentals available either due to Short-term rentals many of which are illegal! Additionally, everyone I know that lives in workforce development units between the 2 adults as an average work 5 jobs daily and never get to spend time with their children. My homelessness is guaranteed as I have no alternative plans for housing. I cannot even afford to move!

Please note that \$40 million in public investment was provided in developing this project, including up to \$15.6 million to the owners in state, federal tax credits for the low income project. Rough estimate they have accrued over \$200,000,000 in rents from us 140 plus rentals. It is my understanding the Treasury Dept allowed them to manipulate the system, probably no notice to the public, due to extreme financial duress?? That is most deceptive. Egregiously, the management and owners have never even told any tenants about their breaking this legally binding contract. I found out on Thanksgiving Day 2016. But now the property owners have been putting in Cherry Wood, Marble, wooden flooring and other opulent upgrades to this property for the market renters. However, they are presently taking a Hiatus in order to look good for the Legislature, meaning they have stopped doing renovations, for now!

I did my due diligence prior to moving into the FSA's. I did the research and read the contract of 50 years binding until 2051 otherwise I would have never moved into the FSA's. What happened to America? This is morally wrong and quite possibly illegal! I urge you to strongly support SB2293. Please do not throw me aside like the developers! Keep in mind they are kicking us out in 2019!
Mahalo Nui.

Respectfully yours,
Carmie Spellman
Tenant Front Street Apartments