

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON HOUSING

March 19, 2019 at 1:20 p.m.
State Capitol, Room 225

In consideration of
H.B. 543, H.D. 1
RELATING TO AFFORDABLE HOUSING.

The HHFDC supports H.B. 543, H.D. 1, a vehicle to make necessary amendments to Act 150, SLH 2018 to enable the preservation of Front Street Apartments in Lahaina, Maui as affordable rental housing.

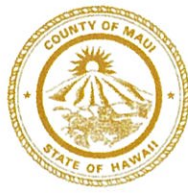
This bill also appropriates an unspecified amount of General Funds to acquire the leased fee or fee simple interest in Front Street Apartments. In January 2019, the HHFDC Board authorized the Executive Director to issue a Letter of Intent outlining the terms and conditions upon which HHFDC will consider acquiring the Front Street Apartments from 3900, LLC, the successor to 3900 Corp.

In January 2019, the HHFDC also selected Ikaika Ohana as the developer for Keawe Street Apartments, a proposed 200-unit affordable rental housing project in Leiali'i. The Developer has outlined an ambitious time schedule to complete the project in 2021. However, any delays in obtaining financing, entitlements or permits, as well as construction delays will push completion beyond 2021.

Thank you for the opportunity to testify.

Michael P. Victorino
Mayor

Sananda K. Baz
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

March 15, 2019

The Honorable Stanley Chang, Chair
Senate Committee on Housing

Dear Senator Chang, and Committee Members:

Re: Hearing of March 19, 2019; Testimony in **SUPPORT** of **HB 543 HD 1**, Relating to Affordable Housing

Thank you for the opportunity to testify in **support** for **HB 543 HD 1**. This important measure would direct the Hawaii Housing Finance and Development Corporation (HHFDC) to initiate negotiations or exercise its power of eminent domain to acquire the Front Street Apartments affordable housing project on Maui and extend the time to complete the Leialii affordable housing project in Lahaina, Hawaii.

Recent analyses on Maui County's housing situation reveal that approximately 12,448 units need to be added to the county's housing inventory to address the needs of our residents by 2025. Over 75 percent of those units will need to be designated for low income housing purposes.

Losing the affordability of Front Street Apartments, will not only deliver a powerful and impactful blow to West Maui's affordable housing inventory but also displace many long-time residents.

Last session, Act 150, Session Laws of Hawaii 2018 (Act 150), specified HHFDC to institute proceedings for the condemnation of Front Street Apartments. Act 150 also appropriated funds for an appraisal of the property and \$30 million for the Leialii affordable housing project.

I support the continued efforts of the State Legislature and HHFDC to negotiate the acquisition of Front Street Apartments. I also support extending

March 15, 2019
Page 2

the date for the construction of the Leialii affordable housing project which will add 200 affordable rental units for West Maui.

Mahalo for your consideration of **HB 543 HD 1**.

Respectfully yours,

A handwritten signature in black ink that reads "Michael P. Victorino". The signature is written in a cursive style with a prominent initial "M" and a long, sweeping underline.

MICHAEL P. VICTORINO
Maui County Mayor

March 18 2019
Senate Committee on Housing
Sen. Stanley Chang Chair
State Capitol
Honolulu, Hawaii

Dear Senator Chang:

I am writing on behalf of The LahainaTown Action Committee to go on record in support of HB543 to keep the low-income Front Street Apartments in operation.

We are at a pivotal moment in our state's history when many of our residents, our 'ohana, face grave uncertainty about where they can afford to live. The 2017 Maui County Affordable Housing Summit report details that 13,496 affordable housing units will be necessary within the next 10 years to keep pace with the rising costs of living and employment trends. If this need isn't met, I fear what becomes of our neighbors, our friends, our family.

Lahaina is already working diligently to fight the rising tide of homelessness in our community, especially in highly visible commercial areas such as Lahaina Town. Preserving the affordability of the Front Street Apartments would be a great step forward in this fight - we all stand to win from this measure.

Lahaina Town is a major economic engine in Hawaii's visitor industry. Each year the more than 60 businesses of the LahainaTown Action Committee work together to put on nearly 30 events along Front Street and its surrounding areas that

successfully bring in tens of thousands of patrons who support the world class restaurants, shops and galleries that make Lahaina so special. We hope you will take our recommendation as seriously as you take our contributions to the economy of this state.

Most of Lahaina is within both the National and State Historic Districts. It was the first capital of the Hawaiian Kingdom. We pride ourselves on being the curators of this historic jewel. We must ask ourselves, what is our kuleana in this matter? How will Hawaii's future generations measure our contributions to this important issue? As leaders in our community let's strive to be the great ancestors future generations of Hawaii deserve.

Sincerely,

Sne Patel
President, LahainaTown Action Committee,
(808)-264-9950

TESTIMONY OF FRONT STREET AFFORDABLE HOUSING PARTNERS

HEARING DATE/TIME: Tuesday, March 19, 2019
 1:20 PM
 Conference Room 225

TO: Senate Housing Committee

RE: HB 543 HD1

Dear Chair Chang, Vice-Chair Kanuha, and Committee Members:

My name is William G. Meyer III. I have been practicing law in Honolulu since 1979. I am counsel for Front Street Affordable Housing Partners (“FSA”), the leasehold owner and original developer of the Front Street Apartments housing project (the “Project”) which is the subject of HB 543 HD1 (the “Subject Property”). I recognize that Chair Chang, Vice-Chair Kanuha, and the Committee Members are familiar with the issues surrounding the Subject Property and the history of Act 150, Session Laws of Hawaii (2018) (“Act 150”), which HB 543 HD1 seeks to address..

As this Committee considers the proposed legislation regarding my client, it is important for you to know that both during the 2018 legislative session before Act 150 was enacted and after its passage, FSA worked and continues to this day to work with HHFDC in an effort to come to an arrangement whereby FSA could maintain the Project’s affordability status. FSA remains ready and willing to consider lower cost options for the State whereby FSA would retain ownership of the Project through an arrangement with HHFDC that provides affordability and anti-displacement protections for the tenants. FSA intends to continue cooperating with HHFDC and the State of Hawai‘i in this regard, and FSA is currently negotiating in good faith with HHFDC in order to reach an arrangement that is mutually satisfactory to HHFDC, the County of Maui, and FSA. Accordingly, FSA takes no position with respect to HB 543 HD1 for the purpose of this hearing.

Respectfully Submitted,

/S/ William G. Meyer, III

On behalf of
Front Street Affordable Housing Partners

William G. Meyer III
Settle Meyer Law, LLLC
900 Fort Street Mall, Suite 1800
Honolulu, HI 96813
(808) 540-2400
wmeyer@settlemyerlaw.com

LATE



O`ahu County Committee on Legislative Priorities

COMMITTEE ON HOUSNG
Senator Stanley Chang, Chair
Senator Dru Mamo Kanuha, Vice Chair

DATE: Tuesday, March 19, 2019

TIME: 1:20 p.m.

PLACE: Conference Room 225, State Capitol

RE: HB 543, HD 1, Relating to Affordable Housing

To the Honorable Stanley Chang, Chair; the Honorable Dru Mamo Kanuha, Vice Chair; and Members of the Committee on Housing:

I am Melodie Aduja, Chair of the O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i ("DPH"). Mahalo for this opportunity to submit testimony on HB 543, HD 1. The O`ahu County Committee on Legislative Priorities ("OCCLP") hereby submits its testimony in **SUPPORT of HD 543, HD 1, Relating to Affordable Housing.**

The purpose of this HB 543, HD 1, is to ensure the continued availability of affordable rental housing, including the Front Street Apartments project, on Maui.; therefore, the Hawaii housing finance and development corporation shall immediately initiate negotiations with: (1) 3900 Corp., leasehold fee owner of the parcel designated as tax map key (2) 4-5-003-013, or its successor in interest; and (2) Front Street Affordable Housing Partners, fee owner of the parcel designated as tax map key (2) 4-5-003-014, or its successor in interest, to acquire each respective parcel. In addition, HB 543, HD 1, provides that the Hawaii housing finance and development corporation shall exercise its power of eminent domain to acquire any leased fee or fee simple interest in the Front Street Apartments project for which an agreement to acquire the leased fee or fee simple interest is not reached within a reasonable time, as determined by the corporation. It also extends the time to complete the Leialii affordable housing project on Maui.

The DPH Platform supports HB 543, HD 1, as affordable housing and homeownership are vastly needed in Hawai`i.

Housing is a basic human right and DPH believes that adequate, accessible, affordable, and safe housing should be available to all residents of Hawai'i. Affordable housing that is fair in proportion to individual income is the basis of prosperity for our citizens and stability in our economy. Hawai'i needs economically affordable housing and encourage increased support to this end including preservation of existing housing stock. To this end, DPH supports policies which re-think the current formula to determine "affordability" as this formula puts both rentals and sales out of the reach of most working families in Hawai'i. DPH strongly urges that the definition of "affordable" be amended to 20%-25% of monthly income for all income brackets.

DPH supports dedicated social services and housing opportunities for Hawai'i's homeless population to get them off the streets and reintegrated into society with specific devoted services for disenfranchised groups including, but not limited to, Native Hawaiian, Asian and Filipino American, Pacific Islander, aged-out foster kids, youth, returning veterans, the aged, and Lesbian, Gay, Bisexual, Transgender, Queer, Questioning, Intersexual and Asexual (LGBTQIA) homeless youth population. DPH believes in the concept of "Housing First" and in developing affordable housing policies and programs like "Law Enforcement Assisted Diversion (LEAD)." *Democratic Party of Hawai'i Platform (2018), p.13, ln. 48-50, 52-53, p. 14, ln. 1-3, 12-18.*

DPH will continue to fight for those families who suffered the loss of their homes. DPH will help those who are working toward a path of financial stability and will put sustainable home ownership into the reach of more families. DPH will also combat the affordable housing crisis and skyrocketing rents in many parts of the State, which are leading too many families and workers to be pushed out of communities where they work.

DPH will preserve and increase the supply of affordable rental housing by expanding incentives to ease local barriers to building new affordable rental housing developments in areas of economic opportunity. DPH will substantially increase funding to construct, preserve, and rehabilitate affordable housing rental units. Not only will this help address the affordable housing crisis, it will also create good-paying jobs in the process. DPH believes that we should provide more state resources to the people struggling most with unaffordable housing: low-income families, people with disabilities, veterans, and the elderly.

DPH will expand programs to prevent displacement of existing residents, especially in Native Hawaiian and Pacific Islander communities; create affordable and workforce housing; and preserve neighborhood-serving nonprofit organizations and small businesses. DPH will reinvigorate housing production programs, repair public housing, and increase funding for rental assistance programs. DPH will fight for robust funding to end homelessness in our cities and counties once and for all, through targeted investment to provide the necessary outreach, social services, and housing options for all populations experiencing homelessness. DPH will engage in a stronger, more coordinated, and better funded partnership among Federal, State, and local governments to end chronic homelessness. *Democratic Party of Hawai'i Platform (2018), p. 6, ln. 13-33.*

For the foregoing reasons, i.e. housing is a basic human right and adequate, accessible, affordable, and safe housing should be available to all residents of Hawai'i, OCCLP supports HB 543, HD 1, and urges its passage out of the Committee on Housing.

Mahalo nui loa
Me ka `oia`i`o

/s/ Melodie Aduja

Melodie Aduja

Chair, O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i

Ph. (808) 258-8889

Email: legislativepriorities@gmail.com

The Thirtieth Legislature
Regular Session of 2019

LATE

THE SENATE
Committee on Housing
Senator Stanley Chang, Chair
Senator Dru Mamo Kanuha, Vice Chair
State Capitol, Conference Room 225
Tuesday, March 19, 2019; 1:20 p.m.

**STATEMENT OF THE ILWU LOCAL 142 ON H.B. 543, H.D.1, RELATING TO
AFFORDABLE HOUSING**

The ILWU Local 142 supports H.B. 543, H.D.1, which directs the Hawaii Housing Finance and Development Corporation (HHFDC) to initiate negotiations or exercise its power of eminent domain to acquire the Front Street Apartments affordable housing project on Maui and extends the time to complete the Leialii affordable housing project on Maui.

The ILWU Local 142 shares the legislature's concern regarding the severe shortage of affordable housing across the State. We believe this bill is necessary to ensure the working-class tenants, including ILWU members and their families, of the Front Street Apartments are protected.

The ILWU Local 142 urges passage of H.B. 543, H.D.1. Thank you for the opportunity to share our views on this matter.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEE ON HOUSING
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 225
TUESDAY, MARCH 19, 2019 AT 1:20 P.M.**

To The Honorable Stanley Chang, Chair;
The Honorable Dru Mamo Kanuha, Vice Chair; and
Members of the Committee on Housing,

TESTIMONY IN SUPPORT OF HB 543 RELATING TO AFFORDABLE HOUSING

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce with approximately 650 members. I am writing share our support of HB 543.

Affordable housing is one of our top priorities as access to affordable housing is an ongoing problem on Maui and we support initiatives that spur more affordable housing and rentals being built or maintained. In the case of the Front Street Apartments, we support this bill for the state to acquire the Front Street Apartments and keep units that already exist as affordable housing affordable, especially to those who currently occupy the spaces. The current residents of the Front Street Apartments fall below the Area Median Income for Maui County and some are disabled and/or elderly. If the Front Street Apartments are not kept affordable, most of them will have no other place to live. This is an instance where we can do something now to help ensure these residents have affordable options available to them.

Mahalo for your consideration of our testimony and we hope you will move this bill forward.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

Testimony of Michael Nguyen

Please make the developers stand by their contracts because this is for the hard-working residents.
Please support this bill.

HB-543-HD-1

Submitted on: 3/13/2019 2:24:30 PM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
chi guyer	Individual	Support	No

Comments:

Aloha dear legislators, please vote yes on HB543 to save our homes at front street apartment complex in Lahaina (FSA). There are about 250+ of us consisting of families with school age children, working adults, seniors, disabled veterans; folks who have worked all of our adult lives to contribute to the economy and peace of maui. The landlords have already begun to rent vacancies at FSA at market rate and they are threatening to make the entire complex a “market rate” complex by august of 2019. This means that rents will double and many of us who are currently paying “affordable rate rents” are working 3 and even 4 jobs just to support ourselves and families and live a beautiful life here in lahaina on maui. Eviction directly fuels homelessness and leads to lower educational achievement, higher rates of crime, domestic abuse, and substance abuse, and poorer health outcomes generally. Hawai’i has the least affordable housing of any state in the country. Therefore, tenants have very little leverage in our efforts to secure adequate housing. In the absence of meaningful legal protections, we tenants are discouraged from raising issues related to substandard conditions. Many of we tenants at FSA facing eviction do not know our rights or understand the process in which we are involved. We at FSA are fortunate in that attorney Victor Geminiani has graciously agreed to assist us pro bono in actions to maintain our affordable housing and thus our homes. respectfully submitted by chi pilialoha guyer, tenant, front street apartments

HB-543-HD-1

Submitted on: 3/13/2019 3:47:02 PM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Carmie Spellman	Individual	Support	No

Comments:

RE: HB 543- March 19, 2019

Dear Honorable Legislators:

Aloha, my name is Carmie Spellman. I have been living at the Front Street Apartments (FSA) over 8 years . I am permanently disabled and have been now since 2006. I did my due diligence prior to moving in here on HUD Section 8 because it had a Low Income contract for 50 years. I planned on living the rest of my days here due to my permanent disability and fixed low income. Now I cry daily knowing in less than 5 months I will be evicted as I cannot afford the \$2000.00 required to stay housed. This is an atrocity! I have nowhere to go.

The Developer never intended to honor the 50 year contract that was signed 2001. Management and or owners NEVER even gave notification in writing or anything of their shameful intent. **No doubt they knew while putting individual addresses on every single apartment here at the FSA in 2001 that they never intended on honoring that 50 year contract** from the beginning of the development. They defrauded the County, State, Federal Government and us here at the Front Street Apartments!

Here is the current (converted no longer low income)market prices that over 50 apartments inhabitants are paying now out of the 142 Low Income Apartment dwellers...<https://www.rentcafe.com/apartments/hi/lahaina/front-street-aps/default.aspx> HFDC promised to start the Appraisal process in July of 2018 while Governor Ige signed Act 150 here here in Maui last year. YET, nothing has been done with the appraisal. However, I did see a huge project pamphlet on the \$30million project up Keawe St. but nothing on our appraisal. **We have to move in 5 months but I cannot afford 100% increase in rent. I am low income and will be homeless.**

Please use that \$30 million to purchase the Front Street Apartments as they are already built and we are very close to eviction here at the Front Street Apartments.

Now is your opportunity to prove to your constituency that you will assist citizens by providing low-income housing and making developers honor their contracts! Put yourselves and your families in our shoes. We are desperate. The past 3 years have

been Hell on Earth with discrimination, retaliation, harassment, constructive eviction tactics and no quiet enjoyment at the FSA. Yet, I have never once been late on my rent. Please support HB543. Mahalo for your assistance!

Respectfully,

Carmie Spellman, Front Street Apartments, Maui, HI.

HB-543-HD-1

Submitted on: 3/15/2019 7:27:39 AM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathryn Snyder	Individual	Support	No

Comments:

HB-543-HD-1

Submitted on: 3/15/2019 12:57:42 PM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sergio Serna	Individual	Support	No

Comments:

The approval of the HB543 will greatly benefit the resident of front street apartments and it's families. Much like them we are living check by check to afford to pay for our families needs. I have two children studying in college and one in highschool. The payments are done little by little but we continue to push forward. A high rent would bring much setback to myself and the other residents in the complex. We are simply trying to get our children ahead in life in any way we can. The bill will calmness to the living situation we are facing.

HB-543-HD-1

Submitted on: 3/15/2019 1:06:28 PM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ronald	Individual	Support	No

Comments:

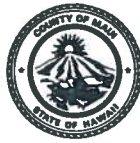
My name is Ronald Proctor and I am a resident of Frontstreet Apartments. I have lived in the complex for the last 6 years. I am currently living on a fixed income from SSI and I am also a veteran. I chose Frontstreet after a year and a half wait because of the low income guaranteed by the landlord and by the fact I could have some security from the ever increasing rent raises in Lahaina. Even if I wanted to move I could not because the available rents I have now all become Air B&B's. I'm 66 years old and do not relish the prospect of becoming homeless or forced to live in a room in someone else's home. My greatest fear is that if units are allowed to become market rate that I'll find myself on the street or having to move back to the mainland. I have fallen in love with Maui and hope to live out my days here. Thank you for your time and trouble! Mahalo Ronald Proctor

Council Chair
Kelly T. King

Vice-Chair
Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Riki Hokama
Alice L. Lee
Michael J. Molina
Tamara Paltin
Shane M. Sinenci
Yuki Lei K. Sugimura



Director of Council Services
Maria E. Zielinski

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

March 15, 2019

TO: The Honorable Stanley Chang, Chair
Senate Committee on Housing

FROM: Kelly T. King
Council Chair

Handwritten signature of Kelly T. King in black ink.

SUBJECT: **HEARING OF MARCH 19, 2019; TESTIMONY IN SUPPORT OF HB 543, HD1, RELATING TO AFFORDABLE HOUSING**

Thank you for the opportunity to testify in **support** of this important measure. The primary purpose of this measure is to direct the Hawaii Housing Finance and Development Corporation to initiate negotiations or exercise its power of eminent domain to acquire the Front Street Apartments and ensure the continued availability of affordable rental housing on Maui.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

1. The Front Street Apartments project was developed using state financing and state tax credits with the intent that the apartments would remain affordable for 50 years. This year, the owners of Front Street Apartments will be able to remove the affordability requirements imposed on the property, aggravating the affordable housing shortage these apartments were aimed to help solve.
2. Without the affordability requirement, the owners will be able to raise the rents at Front Street Apartments, potentially displacing many of the current residents.
3. The State set a precedent of supporting affordable housing in this way through Act 288, Session Laws of Hawaii 2006, to preserve the affordability of the Kukui Gardens affordable housing project on Oahu.

For the foregoing reasons, I **support** this measure.

HB-543-HD-1

Submitted on: 3/16/2019 9:13:51 AM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
E. Wayne Johnson	Individual	Support	No

Comments:

I am a 67 year old disabled veteran, and was so grateful to move to Front Street Apartments. As a Hawaii resident, I was hoping to live out my life here, and grateful to be able to more easily get to many places I need to get to without a car. The thought of moving, or being homeless again is daunting. It is impossible to forget the scariness, and humiliation of not having a home. Even the thought of packing up at my age, losing my newfound security, leaving familiar surroundings and friends, and trying to find a safe home is unimaginable for me. I am not even sure I have another move left in me. There are working families, children, frail people, very frail people, disabled people, and elderly people at our Front Street apartments, and I literally can't imagine what will happen to some of these people if our homes are lost.

If so many of us have to leave, there might not be enough available places to live in our small town, or West Maui, especially for families. The lack of affordable housing in Hawaii is getting worse, and it is sad that so many are having to leave their families, homes, and jobs and move to the mainland just to be able to have shelter.

Mornings, I see the children heading off to school, and feel sad for them. Some of their demeanours seem to have changed since the news broke of our maybe losing our homes, and I can't help wonder what effect it might be having on them personally, and the stress their families must be under because of this. We are all so grateful to have our little community, but now people are scared. All this is why I am supporting HB543.

Please, for the sake of the children, working families, elderly, disabled, health challenged people, and for people getting back on their feet after unfortunate life events, help us.

Thank you so much for your concern, compassion, and help in saving our homes and community. We can't afford teams of high powered real estate attorneys, so you are our hope. Again, mahalo for your help, and our prayers are with you.

Sincerely,

Ernie Johnson

HB-543-HD-1

Submitted on: 3/16/2019 12:28:04 PM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John Massa	Individual	Support	No

Comments:

Dear Sir,

Many families live in this Complex who rely on it being an Affordable dwelling. Women, children, elderly, disabled, dying, and Babies too! People who make up this community. Please help these people and vote this bill through. The Front Street Apartments were originally set up to give back to the community. What has changed in the past fifteen years I can not fathom. What ever has changed is a terrible tragedy and needs to be corrected. This is your opportunity and ours to correct this wrong doing. Please don't pass it by !!! Vote this bill through for the community and make things right!!!

The owners of the Front Street Apartments had a 50 year agreement previously to support the community and were compensated substantially with the sum of millions of dollars and various breaks in permits and zoning restrictions and requirements. I understand that they found a LEGAL way out but that doesn't make it right. They are taking advantage of the State, County, and federal government and this can not be allowed. The Federal government provided a way for the owner to OPT OUT of the contract if the owner was financially burdened. and at a loss. The owner never took a loss any of the years they have been in service. The strategic offer to sell the property was not properly advertised or disclosed to the County of Maui and when they did hear of it and opted to purchase the property the owner refused. The owner never intended to sell the property but to get out of the contract!!!

We the people need to put a stop to this one way or another. No one should allow any entity to take advantage of us. Weather it is legal or not does not make it right. They are backing out of their agreement and that is wrong. They have already received their compensation. They need to pay back their benefits with penalties or make good of their previous deal. They have broken off negotiations twice already. It's time to play hard ball and show them who is really in charge. Please support this Bill and make things right !!!

HB-543-HD-1

Submitted on: 3/16/2019 12:35:21 PM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Anna Barbeau	Individual	Support	No

Comments:

Please force the developers of Front St. Affordable Apts. to HONOR their written contract with the County of Maui for the 50 yr.affordability commitment, or allow for eminent domain to occur. Halt the swindling, deception and loss of property at the extreme expense of the working class residents. This issue is a true emergency. You, as our respected Government Leaders, have the power.

HB-543-HD-1

Submitted on: 3/16/2019 4:56:22 PM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Amy Sanchez	Individual	Support	No

Comments:

Aloha to whom it may concern,

My Name is Amy Sanchez and I have lived at the Front Street Apartments shortly after it was built and being rented to the public. Growing up and now being an adult myself and with kids, one of them having down syndrome. I've found it difficult to find housing for me and my new starting family. The property manager has told us that the disability nor the affordable housing is no longer available at the apartments and would have to pay market price.

Having been born and raised on Maui I've come to understand as an adult that living in my home island is expensive and very hard for anybody really. If the Front Street Apartments could maintain its low income affordable prices it would really help not only me but other people who can't afford to buy a home or go rent somewhere else. I'd really love to rent my own apartment here at Front Street Apartments and afford it with my boyfriend who has to live with his grandparents (again because finding somewhere to rent and afford it is hard.)

Single mothers, or families with an in home mother would also benefit from it. I've lived at these apartments for quite a long time with my parents and as they get older this is the only place they can afford with the low income rent they pay now. If all the units go to market price, families will be forced to move out because they can't afford the rent. Maui and all the islands it seems is catering to the tourists who want a vacation home or place to stay for a bit rather than the locals or people who were born and raised here who need the help. Who need a home they can afford and feel safe in. I understand that money always talks but please please keep these apartments affordable. Please. I've never typed a testimony before or know if what I'm typing makes any difference. But please keep the Front Street Apartments Low Income Affordable.

HB-543-HD-1

Submitted on: 3/17/2019 8:06:29 AM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
JANET DRAPER	Individual	Support	No

Comments:

I am a 75 year old female Senior. I moved into the Front Street apartments when they were built, some 17 years ago. I expected to live here until my end! This debacle with the owners of Front St. apartments has caused me to have blood pressure and severe migraines. I cannot believe that a company would take full advantage of TAX CREDITS to build affordable housing, then go back on their word. PLEASE I beg of you, do everything you can in order to keep the homes affordable, not just for me, but for the many, many young families that live here.

HB-543-HD-1

Submitted on: 3/17/2019 9:17:52 AM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Helen Bullion	Individual	Support	No

Comments:

RE: HB543

1. has come to my attention this AM that as a renter at FSA, I Helen Bullion, lack sufficient legal protection when it comes to eviction and at this time I do not have an annual lease. Rather my rent has been changed to month to month basis without any notification. My biggest fear is that my landlord here at FSA can raise my rent at any time.

I have been living at FSA for the past four years. My rent has been increased and it is a struggle for me. I will not be able t afford any more increase in my rent. Under these

Circumstances I support bill HB543.

Thank you,

Helen Bullion

FSA#802

HB-543-HD-1

Submitted on: 3/17/2019 12:00:21 PM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
robin t. sullivan	Individual	Support	No

Comments:

I have lived here for 14 years I am a single disabled mother of two. . I will be homeless if this bill does not pass. My income is not enough to afford this apartment at the current market rate that the owners are now charging. I and others are very worried for our living situation in the future. Please resolve this matter and help us from becoming jomeless due to this injustice that threatens our home.You have the power to make a difference. Please help us all and vote this bill through!!!

MOST SINCERELY, Robin Sullivan

Aloha pumehana~

>>> My name is Nancy A. Silva & i have resided on W.Maui since 1986. I had lived in a rented home on Front St, Lahaina for 13 yrs. The yr i moved out, i was forced to move 4 times. When i looked @Front St. Apts. in Oct, 2001, the determining factor in my decision to move in was the fact that I was told that the rent would remain affordable for @least 51 yrs. Thus i knew i wouldn't have to continue to move in my senior yrs, especially when affordable rentals were becoming obsolete. I was assured I'd have an affordable, secure, stable home until well into my 97th yr, should i be blessed to live that long.

>>> After all these yrs of receiving tax credits, a fed. loophole has allowed FSA to back out of the original agreement, now renting 1 bdrm for \$1700. & giving those of us "grandfathered in" until Aug of 2019 to decide whether we can afford to pay the more than doubled rents, hope to find an affordable rent or move out onto the streets of W. Maui.

>>> The prospects are glum as rentals become harder to find & less & less affordable. We are a close-knit community of families, retirees, disabled, workforce & business owners like myself. We are in a conundrum & we desperately need your help! There is a critical need for affordable housing, esp. on W Maui. If state & county together could purchase FSA, it could be kept affordable. Ideally, it should remain affordable in perpetuity for future W.Maui residents. Please help us to find a way to accomplish that. I support the bill HB 543 overwhelmingly.

>>> Mahalo nui loa! Sincerely,

>>> Nancy A. Silva

>>> 822 Kenui Circle

>>> Lahaina, HI 96761

>>> 808-280-2291

>>> mauistar@earthlink.net

Aloha from Maui.

My name is Ratna Heilscher,

I support the Bill 543 to authorize to condemnation on the ground lease and eventual purchase of Front Street Apartment.

The reason I support is my family lives in Front Street Apartment. I am a single parent and working as an Educational Assistant at King Kamehameha III Elementary School. I suffer from arthritis which causes pain in both of my knees. It is not easy for me, with my income, to raise my son who is a Junior at Lahainaluna High School and to keep up with all the living expenses in Lahaina. This is the reason why I need an affordable rental house.

There is a serious shortage of affordable rentals in West Maui. We have lived in Front Street Apartment for 17 years and we really can't afford to live anywhere else.

By condemnation of ground lease and purchase of Front Street Apartments, I wish this will keeping Front Street Apartment affordable.

Thank you.

HB-543-HD-1

Submitted on: 3/17/2019 11:54:42 PM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Peter Power	Individual	Support	No

Comments:

Please keep front st. apts. affordable for working families like mine. I already pay high rent for my business space and cannot afford to pay the so called market rate for apt. rent also.

thanks for listening

Peter Power

HB-543-HD-1

Submitted on: 3/18/2019 9:21:58 AM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gwen Wintermeyer	Individual	Support	No

Comments:

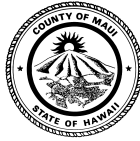
I am a single mother of 4 who works day and night. I live in the Front Street Apartments and have been here for many years. Please help save my home and pass this bill through . I can not afford to live here at the new prices they are corrently charging. If you do not save this housing project we will probably become homeless. Pleease help us.

Council Chair
Kelly T. King

Vice-Chair
Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Riki Hokama
Alice L. Lee
Michael J. Molina
Tamara Paltin
Shane M. Sinenci
Yuki Lei K. Sugimura



Director of Council Services
Maria E. Zielinski

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

March 18, 2019

TO: Honorable Senator Stanley Chang, Chair
Senate Committee on Housing

FROM: Tasha Kama
Presiding Officer Pro Tempore

DATE: March 18, 2019

SUBJECT: **Hearing of March 19, 2019; Testimony in SUPPORT of HB 453 HD1,
Relating to Affordable Housing**

Thank you for the opportunity to testify in **SUPPORT** of this important measure. The purpose of this measure is to direct the Hawaii Housing Finance and Development Corporation (HHFDC) to negotiate or exercise eminent domain to acquire the Front Street Apartments and to extend the time to complete the Leiali'i affordable housing project.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

1. The supply of affordable housing is critically lower than the demand for such housing, particularly amongst those who are unable to pay the current market rents.
2. The Front Street Apartments serve an underserved portion of the housing market and the loss of these units will displace many who have no identified alternative housing.
3. In the prior session, the Legislature already directed HHFDC to institute proceedings for condemnation of the Front Street Apartments (Act 150, Session Laws of Hawaii 2018).
4. The completion of the Leiali'i affordable housing project will add 200 units to the supply of affordable housing.

HB-543-HD-1

Submitted on: 3/18/2019 10:14:11 AM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jami Power	Individual	Support	No

Comments:

Please continue to support efforts to keep Front Street Apartments affordable.

Thank you, Jami Power

Council Chair
Kelly T. King

Vice-Chair
Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Riki Hokama
Alice L. Lee
Michael J. Molina
Tamara Paltin
Shane M. Sinenci
Yuki Lei K. Sugimura



Director of Council Services
Maria E. Zielinski

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

March 15, 2019

TO: The Honorable Stanley Chang, Chair
State Committee on Housing

FROM: Tamara Paltin
Councilmember (West Maui District)

SUBJECT: HEARING OF MARCH 19, 2019; COMMENTS ON HB 543 HD1,
RELATING TO FRONT STREET APARTMENTS GROUND LEASE

Dear Senator Chang and Committee Members:

The intent of this bill is appreciated and I thank you for the opportunity to offer comments on this measure. The purpose of this measure is to direct the Hawaii Housing Finance and Development Corporation (HHFDC) to initiate negotiations or exercise its power of eminent domain to acquire the Front Street Apartments affordable housing project on Maui within my district. It also extends the time to complete the Leiali'i affordable housing project on ceded lands here in West Maui.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing these comments in my capacity as an individual member of the Maui County Council.

Protecting our affordable housing inventory and continuing to secure a safe, attainable home for our West Maui residents who reside at the Front Street Apartments is of utmost importance.

The efforts of the State Legislature and HHFDC to negotiate the acquisition of the Front Street Apartments are greatly appreciated and supported.

The original HB543 did not include the Leiali'i Affordable Project on ceded land and although I recognize the necessity of affordable housing inventory, I believe this project should not be tied to the Front Street Apartment measure. The Leiali'i Project should be brought to the State Legislature in a separate measure to ensure complete due diligence.

Mahalo for your consideration of this important measure.

HB-543-HD-1

Submitted on: 3/18/2019 10:35:20 AM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
lori shultz	Individual	Support	No

Comments:

Please help us keep Front St Apts affordable. We are working people that will not be able to afford "market rate" We already have so many working homeless living in their cars!! If Front St Apts are not kept affordable, we will have many more people sleeping on beaches and using our oceans/ beaches as toilets. Please help!!! Mahalo nui loa

HB-543-HD-1

Submitted on: 3/18/2019 11:59:22 AM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gail Falkenbury	Individual	Support	No

Comments:

Aloha,

I have been resident on Maui for over 20 years. I was fortunate enough to become a part of the front street apartment community over 15 years ago. I worry that nobody is looking out for the community here that can not afford the rent increases. How can the average household compete with mainland company's and part-time residents that our buying up properties. We need our elected officials to stand up for us when companies are allowed to find "loop holes" in contracts that affect peoples lives. Please protect affordable housin in our community.

Thank you

HB-543-HD-1

Submitted on: 3/18/2019 12:12:56 PM

Testimony for HOU on 3/19/2019 1:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kimberley Thompson	Individual	Support	No

Comments:

It's extremely important that Front Street Apartments remains an AFFORDABLE HOUSING project. Many of us who live there definitely cannot afford 'market rent' which is at least double what we currently pay. PLEASE keep our housing affordable.

From: [l.tanabe62](#)
To: [HOJ Testimony](#)
Subject: bill HB543 testimony
Date: Monday, March 18, 2019 12:06:29 AM

this is kaoru tanabe.i live at 405 405kenuicircle lahaina hi front street apt. i just need to let u know that im a single parent dealing with the rent hike for a low income apt . i cant afford this place if they raise my rent .double my rent where am i and my daughter going to go i cant be living at the beach in my car with my kid. we need help!!! i tryed to get assistant they said i dont qualified for help please help us .I dont have alot of money please help us because these people dont care of us people all the care of is money. Please Help Us!!!!!!!!!!

Sent from my Verizon, Samsung Galaxy smartphone