



**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 JUDICIARY**  
**SENATE COMMITTEE ON WAYS AND MEANS**

April 3, 2019 at 10:00 a.m.  
State Capitol, Room 211

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

The HHFDC **supports** H.B. 543, H.D. 1, S.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.

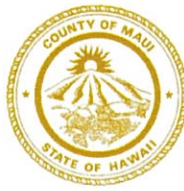
This bill also appropriates an unspecified amount of General Funds to acquire the leased fee or fee simple interest in Front Street Apartments. In January 2019, the HHFDC Board authorized the Executive Director to issue a Letter of Intent outlining the terms and conditions upon which HHFDC will consider acquiring 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 Leialii. 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 the date of completion beyond 2021.

Thank you for the opportunity to provide written comments on this bill.

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](http://www.mauicounty.gov)

April 1, 2019

The Honorable Karl Rhoads, Chair  
Senate Committee on Judiciary

The Honorable Donovan M. Dela Cruz, Chair  
Senate Committee on Ways and Means

Dear Senator Rhoads, Senator Dela Cruz, and Committee Members:

Re: Hearing of April 3, 2019; Testimony in **SUPPORT** of **HB 543 HD 1 SD 1**, Relating to Affordable Housing

Thank you for the opportunity to testify in **support** for **HB 543 HD 1 SD 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.

April 1, 2019  
Page 2

I support the continued efforts of the State Legislature and HHFDC to negotiate the acquisition of Front Street Apartments. I also support extending 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 SD 1**.

Respectfully yours,

A handwritten signature in black ink that reads "Michael P. Victorino". The signature is written in a cursive style with a horizontal line at the end.

MICHAEL P. VICTORINO  
Maui County Mayor

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](http://www.MauiCounty.us)

April 1, 2019

TO: The Honorable Karl Rhoads, Chair  
Senate Committee on Judiciary  
  
The Honorable Donovan M. Dela Cruz, Chair  
Senate Committee on Ways and Means

FROM: Kelly T. King  
Council Chair

Handwritten signature of Kelly T. King in black ink.

SUBJECT: **HEARING OF APRIL 3, 2019; TESTIMONY IN SUPPORT OF HB 543, HD1, SD1, RELATING TO AFFORDABLE HOUSING**

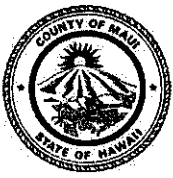
Thank you for the opportunity to testify in **support** of this important measure. The purpose of this bill is to direct the Hawaii Housing Finance and Development Corporation to initiate negotiations and exercise its power of eminent domain to acquire the Front Street Apartments affordable housing project 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 (2006), to preserve the affordability of the Kukui Gardens affordable housing project on Oahu.

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



DEPARTMENT OF  
HOUSING AND HUMAN CONCERNS  
COUNTY OF MAUI

MICHAEL P. VICTORINO  
Mayor

LORI TSUHAKO  
Acting Director

LINDA R. MUNSELL  
Deputy Director

200 SOUTH HIGH STREET • WAILUKU, HAWAII 96793 • PHONE (808) 270-7805 • FAX 270-7165 • EMAIL [director.hhc@mauicounty.gov](mailto:director.hhc@mauicounty.gov)

April 2, 2019

**LATE**

The Honorable Karl Rhoades, Chair  
Senate Committee on Judiciary

The Honorable Donovan M. Dela Cruz, Chair  
Senate Committee on Ways and Means

**SUBJECT: Support for HB 543 HD1 SD1**  
**Hearing date: April 3, 2019**  
**Time: 10:00 a.m.**  
**Location: Conference Room 211, State Capitol**

Dear Chairmen Rhoades and Dela Cruz and members:

Thank you for the opportunity to **support HB 543 HD1 SD1**. This proposed legislation would enable 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. HHFDC would also be afforded additional time to complete the Leialii affordable housing project in Lahaina, Maui.

Affordable housing remains one of our community's most urgent needs, and the continued availability of Front Street Apartments is critical to address existing housing needs. Our community cannot afford to lose affordable housing unit inventory and deal with the displacement of many current Front Street Apartment residents.

The County of Maui's Department of Housing and Human Concerns is in support of HHFDC's efforts to negotiate acquisition of Front Street Apartments and an extension of the date for the construction of the Leialii affordable housing project which will provide much needed affordable rental units in West Maui.

Thank you for the opportunity to submit testimony on this subject.

Respectfully submitted,

LORI TSUHAKO, LSW, ACSW  
Acting Director of Housing & Human Concerns

**TESTIMONY OF FRONT STREET AFFORDABLE HOUSING PARTNERS**

HEARING DATE/TIME:       Wednesday, April 3, 2019  
                                  10:00 AM  
                                  Conference Room 211

TO:     Senate Ways and Means Committee

**RE:    HB 543 HD1 SD1**

Dear Chair Dela Cruz, Vice-Chair Keith-Agaran, 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 SD1 (the “**Subject Property**”). I recognize that Chair Dela Cruz, Vice-Chair Keith-Agaran, 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 SD1 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 SD1 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



## O`ahu County Democrats Legislative Priorities Committee

COMMITTEE ON JUDICIARY  
Senator Karl Rhoads, Chair  
Senator Glenn Wakai, Vice-Chair

COMMITTEE ON WAYS AND MEANS  
Senator Donovan M. Dela Cruz, Chair  
Senator Gilbert S.C. Keith-Agaran, Vice Chair

DATE: Wednesday, April 3, 2019

TIME: 10:00 a.m.

PLACE: Conference Room 211 State Capitol

RE: HB 543, HD 1, SD1, Relating to Affordable Housing

To the Honorable Karl Rhoads, Chair; Senator Glenn Wakai, Vice Chair; and Members of the Committee on Judiciary:

To the Honorable Donovan M. Dela Cruz, Chair; Senator Gilbert S.C. Keith-Agaran, Vice Chair; and members of the Committee on Ways and Means:

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

The purpose of HD 543, HD1, SD1, is to ensure the continued availability of affordable rental housing, including the Front Street Apartments project and Leialii affordable housing project, on Maui. As such, (a) 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. (b) The Hawaii housing finance and development corporation may partner with private for-profit or nonprofit developers for the acquisition of the Front Street Apartments project; provided that: (1) Seventy rental units shall be retained at affordable rents for households whose incomes do not exceed fifty per cent of the median family income for the area as determined by the United States Department of Housing and Urban Development; and (2) Seventy-one rental units shall be retained at affordable rents for households whose incomes do not exceed sixty per cent of the median family income for the area as determined by the United States Department of Housing and Urban Development.

The DPH Platform supports HB 543, HD 1, SD 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, OCDLPC supports HB 543, HD 1, SD 1, and urges its passage out of the Committees on Judiciary and Ways and Means.

Mahalo nui loa  
Me ka `oia`i`o

/s/ Melodie Aduja

Melodie Aduja  
Chair, O`ahu County Democrats Legislative Priorities Committee  
Ph. (808) 258-8889  
Email: legislativepriorities@gmail.com

**HB-543-SD-1**

Submitted on: 4/2/2019 1:28:47 PM

Testimony for JDC on 4/3/2019 10:00:00 AM

**LATE**

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Joseph D Pluta	Testifying for WEST MAUI TAXPAYERS ASSOCIATION INC.	Support	No

Comments:

The West Maui Taxpayers Association strongly supports this measure to continue to provide

an avenue of relief for the tenants of the Lahaina Front Street Apartment Complex.

Please pass this Bill!

Warm Regards,

Joseph D Pluta, President, West Maui Taxpayers Association Inc.

April 2nd 2019  
Senate Judiciary Committee  
Senate Ways and Means Committee  
State Capitol  
Honolulu, Hawaii

Dear Senators

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



**MAUI**  
CHAMBER OF COMMERCE  
VOICE OF BUSINESS

**LATE**

**HEARING BEFORE THE SENATE COMMITTEES  
ON JUDICIARY AND WAYS AND MEANS  
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 211  
WEDNESDAY, APRIL 3, 2019 AT 10:00 A.M.**

To The Honorable Karl Rhoads, Chair;  
The Honorable Glenn Wakai, Vice Chair; and  
Members of the Committee on Judiciary,

To The Honorable Donovan M. Dela Cruz, Chair;  
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair; and  
Members of the Committee on Ways and Means,

**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*

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.

**LATE**

**Testimony re HB543  
April 3, 2019  
from Barbara Henny  
Co Chair of the Front Street Apartment Tenants Group**

**Aloha and good morning to Judiciary Chair Rhoads and Vice Chair Wakai, Ways and Means Committee Chair Dela Cruz and Vice Chair Keith Agaran.**

**I extend grateful thanks for allowing me to speak before you pertaining to HB543 under consideration today. My name is Barbara Henny, co-chair of the Front Street Apartments Group representing scores of low income tenants living in the Front Street Apartment complex in Lahaina who have been fighting an eviction for at least the past two and a half years.**

**In January 2019 House Bill 543 was introduced with companion Senate Bill 1331 which directed HHFDC to immediately commence negotiations with the owners of Front Street Apartments. The bill was revised to allow the condemnation of the ground lease and became ACT150 which authorized the HHFDC to immediately proceed with an appraisal of the grounds for eminent domain and possibly the property also. We understand these proceedings are now under way after appropriation of funds from both the Maui State and County. While our Tenants Group and other individuals, organizations and religious supporters agree with the condemnation of the ground lease we also support availing more options in terms of property appraisal and possible purchase of the property.**

**We need to protect what low-income housing we have especially in sensitive areas of Hawaii. The FSA Tenants Group and local supporters believe this crisis requires extraordinary measures to save this public housing resource in Lahaina and that the state needs to intervene, given the lack of effort by investors and the building owner to negotiate in good faith.**

**Front Street Apartment Tenants Group feels the state is within its legal rights to pursue adverse possession of the property to halt the imminent eviction in August 2019, based on an overwhelming need for low income housing and the catastrophic impact an eviction would have on the Lahaina/West Maui community.**

**The building owner promised as early as 1999 it would operate FSA as low income for 50 years but has used a "tax loophole" to convert the 142 units to market priced rentals and will be able to evict more than 250-300 tenants who have paid rent in good faith.**

**A study done by HUD's Office of Policy Development and research in 2012 said top priority should be placed on retaining low income housing in high rent areas because such housing will likely cost more to replace and the presence of such low income housing promotes diversity. Front Street Apartments fit into this description "This investment may be the most cost effective way to encourage or maintain some amount of economic integration and diversity". (HUD Study 2012, Pg. 80, Affordable Housing at the 15-year mark, US Dept of Housing and Urban Development's Office of Policy**

**Development and Research, ABT Associates, August 2012)**

**The tenants group includes Filipino, Chinese, Hawaiian, Japanese, Puerto Rican, Vietnamese, Micronesians, Tongans, Caucasians, Chamorros and native Hawaiians - many working more than one low-paying job. About 10 percent are retirees, a Molokai-born woman on dialysis, and another 20 percent are disabled including an Iraq veteran fighting cancer and a native Hawaiian recovering from a broken back.**

**Support continues to build to stop eviction. In 2018 Governor Ige came to Lahaina and signed Senate Bill 2293, now known as Act 150 authorizing the condemnation and purchase of the ground lease at Front Street Apartments. This measure contained in House Bill 543 has received the support of Maui County Mayor Michael Victorino, the Maui Chamber of Commerce, the Lahaina Town Action Committee, Maui County Council as well as from several churches on Maui and Oahu. Also the Oahu Democratic Party, the ILWU and AFL-CIO Unite Here, have continued to be active supporters and we have had unanimous support of the state house and Senate. The first Bill 150 became active in dealing with technical aspects of accessing the funds necessary for the purchase of the legal fees, legal instruments and appraisal of land and property.**

**The Maui legislative contingent, including state Senator Roz Baker and State Rep Angus McKelvey have been helping to fight against the eviction.**



**Bill 543 expands the authority of the state housing administration to condemn and purchase the apartments if negotiations fail with the property owner.**

**Now, it is before you, the state Senate Judiciary and Ways and Means Committees. We desperately seek your support and compassion to save our homes and lives. I thank you for your time and consideration.**

**Mahalo**

The Thirtieth Legislature  
Regular Session of 2019

THE SENATE  
Committee on Judiciary  
Senator Karl Rhoads, Chair  
Senator Glenn Wakai, Vice Chair  
Committee on Ways and Means  
Senator Donovan M. Dela Cruz, Chair  
Senator Gilbert S.C. Keith-Agaran, Vice-Chair  
State Capitol, Conference Room 211  
Wednesday, April 3, 2019; 10:00 a.m.



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

The ILWU Local 142 supports H.B. 543, H.D.1, S.D.1, which directs the Hawaii Housing Finance and Development Corporation to initiate negotiations and exercise its power of eminent domain to acquire the Front Street Apartments affordable housing project on Maui. Extends the deadline 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., S.D.1. Thank you for the opportunity to share our views on this matter.

**HB-543-SD-1**

Submitted on: 3/29/2019 8:23:16 PM

Testimony for JDC on 4/3/2019 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kathryn Snyder	Individual	Support	No

Comments:

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-SD-1**

Submitted on: 3/30/2019 11:10:51 AM

Testimony for JDC on 4/3/2019 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
chi guyer	Individual	Support	No

Comments:

aloha dear legislators, please find it in your hearts to complete the passing of HB543 to save the homes of the residents of front street apartments (FSA) in lahaina. the residents are composed of almost 300 folks who are seniors, disabled, working parents of school age children and those who are working multiple jobs in an effort to provide a safe home environment for their families.

mahalo nui loa for your kind consideration of the passing of this HB543 bill. chi pilialoha guyer, senior resident of FSA

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

**HB-543-SD-1**

Submitted on: 4/2/2019 8:45:25 AM

Testimony for JDC on 4/3/2019 10:00:00 AM

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

Comments:

April 2, 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. 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 **AUGUST 2019 I will be evicted** as I cannot afford the \$2000.00 required to stay housed. This is an atrocity! I have nowhere to go. I live with terror daily.

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 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, AUGUST 2019, 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.**

Thank you for your assistance and honest concern. 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 HD1 SD1 etc. Mahalo for your assistance!

Respectfully,

Carmie Spellman, Front Street Apartments, Maui, HI.



**LATE**

**HB-543-SD-1**

Submitted on: 4/2/2019 2:56:43 PM

Testimony for JDC on 4/3/2019 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
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 !!!