

Meeting of the  
**HAWAI'I COUNTY HOUSING AGENCY**  
Hilo, Hawai'i  
**April 5, 2022**

**Agency Members Present**

Maile Medeiros David  
Holeka Goro Inaba  
Matt Kanealii-Kleinfelder  
Ashley L. Kierkiewicz (Chair)  
Heather L. Kimball  
Herbert M. "Tim" Richards III, DVM  
Rebecca Villegas  
Susan "Sue" L. K. Lee Loy  
(Vice Chair) (arrived 9:26 a.m.)

**Absent and Excused**

Aaron S. Y. Chung

**Housing Staff Members Present**

Susan Kunz  
Jennifer Kualii  
Michael Yee

Zendo Kern (Planning)  
Douglas Le (Planning)  
Kelly Nafie (Planning)

**Corporation Counsel**

None

**Members of the Public**

Via Zoom

**Kierkiewicz:** Aloha and good morning. Welcome to the convening of the Hawai'i County Housing Agency. I am calling this meeting to order at 9:05 a.m. Today is Tuesday, April 5<sup>th</sup>, 2022, the Agency is convening in the Hilo Council Chambers. Agency members present today are Holeka Inaba, Tim Richards, Maile David, Matt Kanealii-Kleinfelder, Rebecca Villegas, Heather Kimball, my name is Ashley Kierkiewicz, Chair of the Committee. Aaron Chung and Sue Lee Loy are excused. At this time, we will be taking statements from the public. Relley, is there anyone in the Zoom room waiting to testify. Okay, seeing none, I'll be closing public testimony at this time and moving on to the first order of business on the agenda, Approval of Minutes from our September 7, 2021 meeting. May I have a motion to approve?

**Kimball:** Motion to approve.

**Kanealii-Kleinfelder:** Second.

**Kierkiewicz:** Thank you. Motion by Ms. Kimball, second by Mr. Kanealii-Kleinfelder. Any discussion? Seeing none, all in favor please say aye, any opposed? Motion carries with seven aye votes, noting Ms. Lee Loy and Mr. Chung are excused. First item of business, Approval of the Public Housing Agency Annual Plan for the Housing Choice Voucher Program for the County of Hawai'i. May I have a motion to approve?

**Kimball:** So moved.

**Kanealii-Kleinfelder:** Second.

**Kierkiewicz:** Thank you, motion by Ms. Kimball, second by Mr. Kanealii-Kleinfelder, we have our Housing Administrator Susan Kunz here. Aloha Administrator, if you could provide us a high-level overview and I just want everybody to be really cognizant of the time, we have one hour to get through three items, thank you.

**Kunz:** Very good, good morning everyone, my name is Susan Kunz, I'm the Housing Administrator. So today we're coming before this body to present and get approval for our annual plan for our public, as the public housing authority but first before I get into this I want to make an introduction, well probably an introduction might not be needed but as of March 1<sup>st</sup>, Michael Yee joined the Office of Housing and Community Development to manage our Existing Housing Division. I am super excited to have him, so I am going to call him up. You know I was going to do that, Michael. I'm going to allow him to talk us briefly through the Public Housing Authority Annual Plan. Thank you very much.

**Yee:** Good morning everyone, Michael Yee, Office of Housing and Community Development. So I think, I don't know how much you know, this plan is done every five years with annual updates and so this is an annual update. If you read through it or browsed through it, you'll see that there are no major changes to it at this time and so if you have any questions I'll take them but I think you may have more questions around the program in itself if you're interested in that and what we're doing around this because this is a very high level plan, it doesn't talk about how we do affordable housing on the ground with vouchers. If you have questions, I'll take them but not sure I want to spend a lot of our precious time going over it.

**Kierkiewicz:** Thank you, Mr. Yee. We did adopt the consolidated action plan last cycle and so this is the first review. Agency members, any questions for Mr. Yee? Mr. Richards.

**Richards:** Thanks, Michael, great to see you, why don't you just give us a thumb nail overview of where we're going, where we are headed, don't waste a lot of time but just big thumb nail sketch.

**Yee:** Outside of the plan, we have 2,083 vouchers out there right now which is an increase from over the years which is the important thing is we are getting vouchers and getting more folks out there into units. We've expanded the program and do more targeted population, veterans, foster youth and other areas, homeless, and so we have almost a thousand, 944 people on the waiting list and so often the question is, how long is the wait for that. For this list, that's fairly current, we will probably screen through most of them over the next several months and there's kind of priorities within that group but for the most part we can screen most of them now, will most of them be eligible? You know, some, I'm not sure it's a high, high percentage, it's probably lower just because I think a lot of people applied who might not have been eligible but I will go back to, we could screen thousands of folks out there but that's not the issue, the issue is about the supply of units out there right now and I think what's one reason why I came here was Susan is assembling a team that can help figure out how to improve that supply and so we'll have a multi prong kind of approach, how to deal with unpermitted structures, how to get more landlords engaged, so by trying to increase that supply that will certainly help. We are certainly putting more into new development through project based vouchers which help developers create more financial feasible projects so we're doing that so on several different fronts we're going to try to improve that supply over time.

**Richards:** Thanks, Michael, cause that's exactly where I was going. We know we have a housing crisis, I guess I'll use that term, and leading that conversation into that, how do we get that inventory up which is in part which is what you're talking about your task force, which is help engage but also encourage cause we're going to need more housing so I appreciate that. Thanks, Chair.

**Kierkiewicz:** Thank you, anyone else? Mr. Yee, a few questions for you. How long are folks on the wait list?

**Yee:** It's hard for me, I don't know what was done in the past, I know the current list is a more current list that was assembled last year. Based on talking to staff this week, they felt like we're going to clear most of those names again this year for sure but the question is whether or not we can issue a voucher but whether or not they can find a place to stay and the landlord will take them is the bigger question. I would say the wait definitely less than a year hopefully for most of the folks.

**Kierkiewicz:** But that doesn't guarantee that they're going to have a home to go back to.

**Yee:** Exactly, and I know this more than you want to know but part of the challenge with vouchers is you have to hit this target, right, where they, the government gives you so many voucher, they want you to utilize so many of them up to this percentage but you don't want to go under and you don't want to go over and you got to thread this needle all the time so you got so many darts they give you but then when you hit the target they are like you can only have so many in the target too and so you got to be careful about how people are moving in and out of units, how you are filling them and so it's a challenging situation where the external environment causes chaos in how you can hit that target too and that's kind of what I say Susan's and my job is, how do we lessen those challenges for staff to get those folks to hit the target.

**Kierkiewicz:** Thank you and then when folks are awarded a voucher and are able to move into a home, how typically are they part of the housing voucher program?

**Yee:** What do you mean?

**Kierkiewicz:** I mean, is there a limit to how many years they can receive a voucher? So long as there is a need?

**Yee:** To my knowledge, yes. I mean there are other things around certain kinds of vouchers, if its project based if you move out then you can get a moving voucher and stuff that goes along with you but for the most part, yeah, as long as you have the need.

**Kierkiewicz:** Okay, I'm just trying to see how quickly folks can transition out of that and are able to afford rents at market value.

**Yee:** Right, so we do have a program to help folks transition, that the FSS Program.

**Kierkiewicz:** Thank you, last question, do you anticipate our County getting more vouchers as a result our population increase that was determined during the census? We have more folks living in Hawai'i County based on the last census count, do you anticipate us getting more vouchers.

**Kunz:** You know, there has been constant conversation with HUD with the new bill that just got passed, I believe that there is additional funds across the board, CDBG, HOME and Existing Housing Vouchers, we have not heard what those numbers look like yet but yes, I am anticipating increases. The way they've been moving the last couple years is been by creating these special vouchers, so we're seeing, like Michael had explained, Mainstream, Foster Youth, VASH vouchers, Emergency Housing Vouchers for homeless, they've been doing a lot

of these specialized vouchers as well, that totally increases our total pot as well, so I expect that to continue.

**Kierkiewicz:** Thank you. Any other comments, questions, Ms. David.

**David:** Thank you. Thank you for being here, I'm not sure who can answer this but the counts on the number of people on the wait list and then your notation or reference to this supply, do you have an estimate of currently what is our numbers of the supply of homes that we have to deal with right now or that qualify, do you have a number for that?

**Kunz:** There are about 2,200 vouchers total that we have, I think Michael gave a number based on what is already out there and what we're housing so your question is...

**David:** Is our housing supply that you say it doesn't, the count is less than what we have applicants for, do you have an idea of what the housing count is?

**Kunz:** Supply?

**David:** Yes, on this island.

**Kunz:** I am not, the numbers exist and they exist in the housing plan, I don't have that number off the top of my head but I could certainly circle back with the data figures.

**David:** Yeah, I'm just curious, because we have this many vouchers, we have 944 people on the wait list, do we have...

**Kunz:** But what I want to remind you is when the plan says that you need 10,000 units, right, to address affordable housing that's an indicator that there's not enough.

**David:** Okay.

**Yee:** And it's also anecdotal from staff that know how long it takes for people to find a unit and people who are not finding them in time and so that tells us, that's an indicator that supply is very low.

**David:** I see, okay, I just wanted to figure out that. Thank you very much. I yield.

**Kierkiewicz:** Thank you, Ms. Kimball.

**Kimball:** Thank you, I'll follow up on that with the inventory, we've spoken briefly about the administrative rules that require the permit and what not, can you just briefly describe where we are with maybe changing that a little bit and increasing the inventory to that mechanism.

**Kunz:** So there are administrative rules that state we cannot issue a voucher to a family if the unit is not permitted. After having a lot of in depth discussions with HUD, it's pretty clear that this is not a HUD requirement, the thing that they continue to remind me though is that we're liable so we have to make sure that if the County is going to move in a direction where we're going to say, okay maybe we will consider leasing or allowing a family to lease and provide a voucher for a unit that is not fully permitted, is it safe, so it has to pass HUD's inspections, right, and that the realization that the County is still liable if anything happens, so there are certain legal waivers that we are working to put into place that make sure that my staff and the landlord and the tenant is very clear about what we're moving into, that an inspection was done based on HUD's requirements, it passed but it's still not permitted so what I would like to see is that it's an opportunity for the County to engage that landlord to get it permitted, my feeling is once we say no, I can't issue a voucher because you're not permitted, he goes away, they go away into a big black hole and we never see them again. If I engage because the unit is safe and we can house an individual and then we work with the landlord to get them permitted, I think that's a win, win for everybody so that's what we're working towards.

**Yee:** I want to add that Susan's genius in bringing in an architect recently on to staff, and so that will help us strategize around navigating the bureaucracy of code and rules and stuff to be able to open up more of these units to vouchers and we know we turned down close to 80 last year and so some of them definitely we do not want to be having people living in there not safe but there's a good percentage of them we feel that they are and that would certainly be several percentage points more than the 2,000 we are doing now, again, a little bit here and there will make a difference.

**Kimball:** Thank you and I appreciate your work on this cause I clearly agree with your sentiment that once they make the offer and we have to say no the likelihood that they will come back is small so appreciate the creativity and forwarding thinking. Thank you, Chair, I yield.

**Kunz:** Thank you.

**Kierkiewicz:** Thank you, Mr. Richards?

**Richards:** I just want to comment on outside of the box thinking about that so compliment to Susan for doing that and I was thinking back, there are a lot of

houses that were built without permits because there were no permitting when the houses were built and so we get into this circle and not taking anything away from safety because that's essentially what this is all about, but if you can retrospect, look at the structure and then go in and help them become permitted, whatever that case it is, is a win, win, so I like that thought process, okay, how do we fix this, so I commend you guys for thinking that way, I yield.

**Kunz:** Thank you.

**Kierkiewicz:** Thank you, Mr. Richards. Anyone else? Administrator Kunz, just to confirm, you can issue vouchers to folks who live in homes in Lava Zones 1 and 2?

**Kunz:** Yes, we are doing that, you know what....

**Kierkiewicz:** That was my understanding but if you could just double check.

**Kunz:** I can double check on that. I believe we do have existing vouchers in Lava Zones 1 and 2.

**Kierkiewicz:** Okay, thank you. There's a motion on the floor to Approve the Public Housing Agency Annual Plan for Housing Choice Voucher Program on the floor, all in favor please say aye, any opposed? Motion carries with seven aye votes, Ms. Lee Loy and Mr. Chung are excused. Next item of business, Request to approve a Resolution Adopting the 2022 County of Hawai'i Action Plan and Authorizing the Mayor to Execute and Submit the Action Plan and All Other Related Documents to the U.S. Department of Housing and Urban Development, may I have a motion?

**Richards:** So moved.

**Kimball:** Second.

**Kierkiewicz:** Thank you, motion by Mr. Richards, second by Ms. Kimball. Administrator Kunz I believe you are joined by Royce Shiroma, your Grants Division Manager on this so if you could please just high level overview of the folks who have been awarded and I am also aware that folks that have been awarded are joining us via Zoom in case Agency Members have questions.

**Kunz:** Great, thank you very much. So what we're presenting today is our annual plan for CDBG Program Year 2022 and a list of projects that we have selected to fund in this year as Chairwoman mentioned, I do have people on line that can talk us through the details of some of the projects if you have any questions. But I will quickly read through them with you, the first project is the

Mental Health Kokua Kona Residential Housing Renovation for \$271,149, the Mental Health Kokua Hilo Residential Housing Complex Renovation for \$650,000, West Hawai'i Emergency Shelter Energy Efficiency Improvements for \$650,000 and the Hāmākua Youth and Community Center Improvements for \$588,851, so I would like to, Royce, would you have any additional information you would like to provide?

**Shiroma:** No, that at this time. If they got questions, we can answer those questions.

**Kunz:** Okay.

**Kierkiewicz:** Thank you, Administrator Kunz and Royce, in seeing that after the list of questions you also included an Exhibit B, just your schedule for how you run this grants program, this runs like clockwork.

**Shiroma:** Yes, we do this every year, CDBG funding is an annual allocation from HUD to the County and its usually is about approximately \$2.6 million every year.

**Kierkiewicz:** Are there certain years where we get a little bump in our allocation?

**Shiroma:** It could be depending on how Congress allocates funding for difference programs or based on their budget.

**Kierkiewicz:** Great, thank you, Mr. Shiroma. Questions from Agency Members? Ms. Kimball.

**Kimball:** I just want to weigh in with support for this expenditure with regard to the Hāmākua Youth and Community Center, this is an important facility up in Honoka'a and provides a lot of wrap around services so really glad to see the investment in the youth center. Thank you, I yield.

**Kierkiewicz:** Thank you, anyone else? Ms. Villegas.

**Villegas:** Just want to thank you for this very thorough rating showing how many projects were, how many applied, how they scored, reasons why some weren't funded either documentation, not enough funds to complete the project, what not, it's helpful to see how many were asking for resources and then very specifically why those that are being funded did. Thank you, that's it, sorry.

**Kierkiewicz:** Anyone else? Administrator Kunz, the folks that are not selected to receive CDBG funding, do you send them to R & D or to other agencies so that

they are able to secure funding to move their projects forward, how does that sort of grant coordination work?

**Kunz:** There's definitely a lot of conversation about other funding opportunities that they may have, we worked very closely with all of them through the whole process so it depends on the reasons why they were not eligible but yes, they do have an opportunity and they are provided information about other funding sources.

**Kierkiewicz:** Okay, great, thank you for that. Lending my support for the excellent work that was done to compile this list, I know Jeannette well from Hāmākua Youth Foundation, they were very instrumental during the pandemic as are all the other awardees, so I think we are all very happy to support, thank you. Seeing as there are no other questions, there is a motion on the floor to approve the Annual Action Plan for the CDBG Allocation, all in favor please say aye, any opposed? Motion carries with seven aye votes, Ms. Lee Loy and Mr. Chung are excused. Final order of business, request approval to enter into an agreement with the US Department of Housing and Urban Development to the Planning Department to receive \$6,862,000 for the CDBG Mitigation Fund Program for County of Hawai'i. May I have a motion to approve this grant?

**Richards:** So moved.

**Lee Loy:** Second.

**Kierkiewicz:** Thank you, motion by Mr. Richards, second by Ms. Lee Loy, noting Ms. Lee Loy mahalo nui for joining us this morning thank you. Director Kern I believe you are going to be taking the lead on this and you also have support from our Recovery Officer Douglas Le and Recovery team member Kelly Nafie, thank you. Director, high level overview.

**Kern:** Awesome, good morning, Madam Chair and Members of the Housing Agency, Zendo Kern, Planning Director, yes, you're correct, I'll do a high level overview and then answer any questions that may come up. We were very fortunate to be awarded a CDBG-MIT, Mitigation Hazard grant, this was awarded during, based on the 2018 disasters, there was a 186 million awarded nationwide, we got \$6.8 million or so, so again very fortunate. What you're seeing here before you is a request to enter into an agreement with HUD, you've seen these before for other HUD type activities, I know the question might come up of having a copy of that, at this point there is no copy of that agreement as it will be developed and entered into and that will be forthcoming upon approval of this resolution. So what you're seeing right here before you is an amount of four thousand four million four hundred and sixty-two thousand that's the amendment to the operating budget, the difference of the

6.8 will be going into CIP budget because there are CIP projects that would fall under that list versus operating so if you're wondering why it's only four we got the 6.8, that's the reason why and you'll see the difference coming up on our CIP budget, so these projects all tie back to the hazard mitigation plan that was adopted in 2020 and we went through a process of working with various agencies to identify projects that would meet this criteria. One of criteria we had them meet was it had to be at least 50% of the projects had to meet the AMI, low to moderate income requirements and that's challenging believe it or not even though we have an island that we know is a lot need to meet those requirements, it's still challenging so those areas generally fall in Puna, Ka'ū and part of Hilo. So we went through the process of trying to find projects that would give island-wide impact but also meet the requirements of the AMI, so there is a list of these projects, one is an upgrade to the ArcGIS system to island-wide endeavor, emergency power for water infrastructure, all go get the numbers real quick, so the ArcGIS purchase installation is \$370,000, the emergency power for water infrastructure is \$835,000, we have wild fire equipment purchase, this is going to the Fire Department that's going to be for \$1.810,000, revisions to the zoning code and subdivision code that's \$400,000, flood studies and assessments that's \$394,000 and then there is the activity delivery cost in grant administration costs associated with those. We also have in the CIP budget side of it, so every project that is listed is what would be part of the operating budget amendment that is before you right now, but just to kind of close out the remainder of the projects, installation of water storage tanks at \$200,000, the Hisaoka Gym Improvements which is really more of the architecture and engineering side of that as well as improvements to the Kea'au Armory, both of those are critical shelter components. These projects went through at least two public hearings, myself and Talmadge Magno our Civil Defense Administrator, were part of those hearings, we gathered feedback and kind of again, went through this entire process to come to this, to these funds. That's the overview and I'm happy to answer any questions.

**Kierkiewicz:** Thank you, Director Kern. Questions from Agency Members? Ms. Villegas.

**Villegas:** Yes, can you just give a little more detail about, I think you said \$400,000 for zoning and code changes?

**Kern:** So part of the money can be allocated to planning efforts and so we looked at that like a flood study would be a planning effort or an upgrade to the subdivision code and zoning code and so we're going through, we're going to be starting the comprehensive code update and so we said we could use some funds to help with this so we've got and allocated those funds for that portion of it. Those really need to be used to identify the areas of hazard mitigation improvements, you really need to tie that to those areas, so adjusting

whether it be zoning or subdivision code to work on mitigating hazards for potential hazards.

**Villegas:** What would an example of something like that be?

**Kern:** Looking at our infrastructure around say, subdivision infrastructure and flooding areas, how we would do that, looking at our zoning, something in our zoning code that would relate to say, strategic retreat, is the word I'm looking for, off the coastline, things like that. All that has to tie back into that area, into those types of areas.

**Villegas:** Thank you, that's really helpful, appreciate it.

**Kierkiewicz:** Thank you, any other questions or comments? Ms. David.

**David:** Thank you, Chair. Hi, Director, good morning. To follow up with that I was having that same question about the planning, the allocation of the Planning Department and I'm looking at this, it's also the hazards that you folks are going to address with this funding has climate changes, sea level rises, those are sort of things which is pretty much a high demand and also flood and high surf damage so that is going to be part of your, the use of these funds to address those things in the planning process.

**Kern:** Correct, and we're going to be bringing on a consultant to work with us on the code and they'll have a specific task of really looking at these efforts as a very, kind of a stand alone, while we're looking at the comprehensive part of it as well.

**David:** I see, and I see all kinds of hazards that you folks are addressing from the planning stand point so I think that's very useful and necessary. I think that's great so thanks for clarifying that. I yield, Chair.

**Kierkiewicz:** Thank you, anyone else?

**Kern:** I want to take the time to thank my team for putting this together, really happy to have Kelly on board and obviously you all know Douglas very well, really happy that he's continuing to work on help facilitate.

**Kierkiewicz:** Director, so the 31 projects that were identified in this haz mit plan, only a handful are being pursued and so we all know there are utmost importance, will the administration be pursuing these other projects in some other way, funding it through say maybe the operating budget or other grant funds.

**Kern:** Yeah, some of the projects have already been funded by other projects so one of the projects we had on this list was the Microwave tower down in Puna that was destroyed from the lava eruption, that was around \$1.4 million, FEMA had rejected that funding for that project so we went through an appeal process for an example and they ended up giving us the funding for that, so we'll take that off the list and bring in another project onboard. So a number of them are already handled and the remaining ones we are looking at other ways to solve for those.

**Kierkiewicz:** How will we be tracking implementation of this over time because its several years down the pipe and so we anticipate being fully completed with some of these projects.

**Kern:** Sure, our anticipated timeline is actually six years, we have 12 years to spend the funds, we anticipate around six and so we'll be monitoring and track and reporting just like we do all the other grants and if the Council has a process, so we will from Planning will be monitoring the departments as its getting done and getting feedback from them and then from a financial side we'll be tracking that as we normally do for all of the grants.

**Kierkiewicz:** We need to find some kinds of dashboard to be tracking this publicly so Housing Agency Committee Members can so that the legislative body can, where an election season 2024, I just think it's really important that if we have these plans that have been approved and there's a commitment to take action, there has to be follow through no matter who is sitting in one of the top positions.

**Kern:** I agree, and it would ideal to have that be as you, on the web, on the website.

**Kierkiewicz:** Public facing where we can see progress being made.

**Kern:** We're working on a few of those efforts actually in a couple fronts to have that public facing interface dashboard.

**Kierkiewicz:** Great, thank you, any other questions? I know that this was a massive undertaking for you and your team so a lot of gratitude to all of you, I really enjoyed reading, just information about our population that was a really good data set that I think we would all find useful in the various work that we all do so thank you. We have a motion on the floor to approve this CDBG-Hazard Mitigation Plan, all in favor please say aye, any opposed? Motion carries with eight ayes, Mr. Chung is excused. Thank you everyone. That brings us to I believe, the end of our agenda, may I have a motion to adjourn?

**Inaba:** Motion to adjourn.

**Lee Loy:** Second.

**Kierkiewicz:** Thank you, motion by Mr. Inaba, second by Ms. Lee Loy, all in favor please say aye, any opposed? Motion carries, Housing Agency is adjourned at 9:36 a.m. Thanks.

Meeting adjourned at 9:36 a.m.