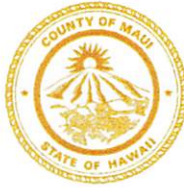


Michael P. Victorino
Mayor

Sananda K. Baz
Managing Director



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

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COUNTY CLERK

REFERENCE NO. BD-BA 22-06

July 23, 2021

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

For Transmittal to:

Michael P. Victorino 7/23/21
Mayor Date

Honorable Alice Lee, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee and Members:

**SUBJECT: AMENDMENTS TO APPENDIX A, PART II, SPECIAL
PURPOSE REVENUE FUNDS FOR FISCAL YEAR
("FY") 2022, AFFORDABLE HOUSING FUND (LILOA
HALE PROJECT)**

On behalf of the Department of Housing and Human Concerns, I am transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX A, PART II, SPECIAL PURPOSE REVENUES – SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2022, AFFORDABLE HOUSING FUND (LILOA HALE PROJECT)."

The purpose of the proposed bill is to amend Appendix A, Part II of the Fiscal Year 2022 Budget by adding an appropriation under the Affordable Housing Fund for the Liloa Hale Project for \$4,300,000.

The Project was reviewed and appropriated in the FY 2021 Budget. However, the grant to Liloa Senior Housing, LP was not executed because the

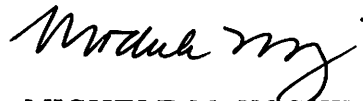
COUNTY COMMUNICATION NO. 21-383

Alice L. Lee, Chair
July 23, 2021
Page 2

developer was not ready for the funds by June 30, 2021. The proposed amendment requests the Project and funding be appropriated in the FY 2022 Budget as a loan instead of a grant. In addition, conditions contained in Section 3.35.070, Maui County Code, will need to be amended prior to execution of an agreement.

I respectfully request this matter be referred to the appropriate Council committee for review and action. Thank you for your attention in this matter. Should you have any questions, please contact me at ext. 7212.

Sincerely,

A handwritten signature in black ink, appearing to read "Michele M. Yoshimura", written in a cursive style.

MICHELE M. YOSHIMURA
Budget Director

Attachment

cc: Lori Tsuhako, Director of Housing and Human Concerns

ORDINANCE NO. _____

BILL NO. _____ (2021)

A BILL FOR AN ORDINANCE AMENDING APPENDIX A
OF THE FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES -
SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2022,
AFFORDABLE HOUSING FUND (LILOA HALE PROJECT)

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 5217, Bill No. 46 (2021), Draft 1, as amended, "Fiscal Year 2022 Budget", Appendix A, Part II, Special Purpose Revenues – Schedule of Revolving/Special Funds for Fiscal Year 2022, is hereby amended as it pertains to the Affordable Housing Fund, by adding an appropriation for the Liloa Hale Project in the amount of \$4,300,000, to read as follows:

**"II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS
FOR FISCAL YEAR 2022**

	<u>ESTIMATED BALANCE AS OF 6/30/2021</u>	<u>ANTICIPATED REVENUES FOR FY 2022</u>	<u>TOTAL FOR FY 2022</u>
L. Affordable Housing Fund (Section 9-20, Revised Charter of the County of Maui (1983), as amended; Chapter 3.35, Maui County Code)	22,267,512	22,969,661	45,237,173
(1) Up to \$70,000 must be for Administrative expenses.			
(2) Up to \$2,000,000 must be for planning, design, engineering, construction, and construction management related to the Lanai Affordable Housing Project.			
(3) Up to \$3,025,442 must be for a grant to Ikaika Ohana for land acquisition, planning and design, new construction, and reimbursement of entitlement work done by the land's sellers for a 56-unit multifamily rental project, for the Kaiaulu O Halelea Phase 1B project, TMK: (2) 2-2-024:033, located at Lipoa Parkway, Kihei, Maui, Hawaii. The project will include 6 units at or below 30 percent of the AMI, 6 units at or below 40 percent of the AMI, 43 units at or below 60 percent of the AMI, and one unit			

for an on-site property manager. The affordability period is 65 years.

- (4) Up to \$4,665,660 must be for a grant to Hawaiian Community Development Board for land acquisition for a 96-unit senior rental project for the Hale O Piikea II, TMK: (2) 3-9-002:076, located at Pi`ikea Avenue and Liloa Drive, Kihei, Maui, Hawaii. The project will include 10 units at or below 30 percent of the AMI, 19 units at or below 50 percent of the AMI, and 68 units at or below 60 percent of the AMI. The affordability period is 61 years.
- (5) Up to \$2,000,000 must be for a grant to Na Hale O Maui for land acquisition, foreclosed or abandoned building acquisition, rehabilitation, and new construction for six single family homes, including three units at or below 100 percent of the AMI and three units at or below 120 percent of the AMI. The affordability period is in perpetuity.
- (6) Up to \$660,000 must be for a grant to Catholic Charities Housing Development Corporation for planning and design of a 179-unit multifamily rental project for the Hale Pilina project, TMK: (2) 3-7-013:026, located at Puunene Avenue, Kahului, Maui, Hawaii. The project will include 18 units at or below 30 percent of the AMI, 18 units at or below 50 percent of the AMI, 142 units at or below 60 percent of the AMI, and one unit for an on-site property manager. The affordability period is 61 years.
- (7) Up to \$650,000 must be for the acquisition of TMK: (2) 4-6-011:011 and 028, located at 266 Dickenson Street, Lahaina, Maui, Hawaii 96761.

(8) Up to \$4,300,000 must be a loan to Liloa Senior Housing, LP for the planning, design, and construction for the Liloa Hale project, TMK: (2) 2-2-002:072, located at Welakahao Road, Kihei, Maui, Hawaii. The 150-unit multifamily senior rental project will include 11 units at or below 30 percent of the AMI, 138 units at or below 60 percent of the AMI, and one unit for an on-site property manager. The affordability period is 60 years."

SECTION 2. New material is underscored.

SECTION 3. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:

/s/Kristina C. Toshikiyo

KRISTINA C. TOSHIKIYO
Deputy Corporation Counsel