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COUNTY COUNCIL

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

August 26, 2025

Ms. Marcy Martin, Director Department of Finance County of Maui Wailuku, Hawaii 96793

Dear Ms. Martin:

SUBJECT: HOUSING PROJECTS UNDER CHAPTER 201H,
HAWAII REVISED STATUTES: KAIAHALE 'O
KAHILUHILU AFFORDABLE HOUSING RENTAL
PROJECT (HLU-1(1))

The Council's Housing and Land Use Committee recommended approval with modification of the Kaiahale 'o Kahiluhilu Affordable Housing Rental Project located at Tax Map Key (2) 3-7-004:003. The Project property is owned by the State of Hawai'i, and for-profit entities will leasehold develop, own, and operate the Project.

The Committee recommended an exemption from Real Property Taxes during the Project construction period and while operating as an affordable housing rental project under Section 3.48.496, Maui County Code, "Very low income, low income, below-moderate and moderate income housing exemption."

May I please request your response to the following:

- 1. If the exemption is not granted, what would the property's estimated annual assessed RPT be during the Project construction period and while the Project operates as an affordable housing rental project using current RPT rates and tiers? Please explain.
- 2. Are RPT exemptions for affordable housing rental projects typically granted, including during the construction period?

Ms. Marcy Martin August 26, 2025 Page 2

3. Would the Department support similar RPT exemptions for future affordable housing rental projects? Explain why or why not, including whether certain conditions make a similar exemption permissible for some projects but not others.

May I further request you transmit your response to hlu.committee@mauicounty.us by **September 4, 2025**. To ensure efficient processing, please include the Committee item number in the subject line.

Should you have any questions, please contact me or the Committee staff (James Krueger at ext. 7761, or Jennifer Yamashita at ext. 7143).

Sincerely,

TASHA KAMA, Chair

Housing and Land Use Committee

hlu:ltr:001(1)afn02:jgk

cc: Mayor Richard T. Bissen, Jr.

HLU Committee

From: HLU Committee

Sent: Tuesday, August 26, 2025 12:04 PM

To: Marcy Martin

Cc: HLU Committee; Maria Zielinski; Stacey.M.Vinoray@co.maui.hi.us; finance; Michelle

Santos; 'Zeke Kalua'

Subject: re: Kaiahale 'o Kahiluhilu Affordable Housing Rental Project (HLU-1(1)); reply by

09/04/2025

Attachments: 001(1)afn02-s-TK.pdf

Director Martin: Please refer to the attached letter from the Housing and Land Use Committee Chair, dated August 26, 2025. Please respond by **September 4, 2025**.

Mayor's Office: Please forward the attached letter to Mayor Bissen for his information.

Thank you,

HLU Committee Staff