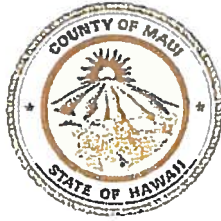


**RICHARD T. BISSEN, JR.**  
Mayor

**LORI TSUHAKE**  
Director

**SAUMALU MATA' AFA**  
Deputy Director



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2023 DEC -1 AM 9:28

OFFICE OF THE  
COUNTY COUNCIL

**DEPARTMENT OF HOUSING  
& HUMAN CONCERNS**  
COUNTY OF MAUI  
2200 MAIN STREET, SUITE 546  
WAILUKU, MAUI, HAWAII 96793  
PHONE: (808) 270-7805

November 28, 2023

Honorable Richard T. Bissen, Jr.  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

*Richard T. Bissen, Jr.* 11-30-23  
Mayor Date

For Transmittal to:

Honorable Tasha Kama, Chair  
Housing and Land Use Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Kama:

**SUBJECT: BILL 38 (2023), 'OHANA ASSISTANCE PILOT PROGRAM UNDER  
CHAPTER 3.34, MAUI COUNTY CODE (HLU-14)**

Thank you for your correspondence of October 12, 2023 requesting the Department's comments and suggestions on the proposed Committee Draft 1 (CD1) version of Bill 38.

Initially, the Department expressed concern about the suggested grant value of \$50,000 to homeowners being insufficient to warrant deed restriction and rent restrictions on a property. \$50,000 is not sufficient to pay the total cost of a new housing unit, and the Department expressed concern about how homeowners would obtain financing with the requirement of deed restriction being recorded against the property title.

In subsequent meetings with Council staff, a suggested grant amount of \$100,000 appeared to be a much more attractive incentive to build an 'ohana unit and achieve the ultimate goal of creating additional housing units for the community. With funding at the \$100,000 level, approximately 25 additional 'ohana or farm dwelling units could be constructed and available to the rental pool. The Department feels that further discussion is necessary to determine the appropriate length of deed restrictions balanced against the amount being granted to the homeowner.

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TO SUPPORT AND EMPOWER OUR COMMUNITY TO REACH ITS FULLEST  
POTENTIAL FOR PERSONAL WELL-BEING AND SELF-RELIANCE

Inasmuch as the `Ohana Assistance Pilot Program will be operated/administered as a pilot project, the Department will assess the program's success and make recommendations to the Administration and the County Council about whether on-going funding should be allocated. Essentially this program proposal is intended to incentivize the building of additional housing units and maintain these units in rental affordability.


Another consideration that may be studied further is creating a mechanism for real property tax relief to further incentivize the building of `ohana units in the community. Perhaps potential avenues for tax relief can be pursued if the current program proves to be successful.

The Department is essentially in support of the intent of the CD1 version of Bill 38. The Department does not support the proposed language in 3.34.060 Homeowner programs criteria B which reads "Grant recipients must contractually agree to deed restrictions that abide by affordable rent guidelines as established by HUD each year and to rent the dwelling long term exclusively to permanent, full time residents of Maui County in perpetuity". In the spirit of establishing a pilot program to incentivize the building of more housing units, compelling the landowner to commit to a period of "perpetuity" seems counterproductive.

We defer to the Department of Finance regarding all aspects of the proposed CD1 that involve Finance's administration of proposed programs such as the shared equity program.

Thank you for the opportunity to provide comments. Should you have any questions, please feel free to contact me at Ext. 7805.

Sincerely,

  
FOR LORI TSUHAKE, LSW, ACSW  
Director of Housing and Human Concerns

## HLU Committee

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**From:** Estrelita Dahilig <Estrelita.B.Dahilig@co.maui.hi.us>  
**Sent:** Friday, December 1, 2023 9:11 AM  
**To:** HLU Committee  
**Cc:** Cynthia Sasada; Josiah Nishita; kimberly.ferguson@co.maui.hi.us; Leo Caires; loriann.tsuhako@co.maui.hi.us; Louise Batoon; Pili Nahooikaika; Regina Corniel; Saumalu Mataafa  
**Subject:** Transmittal to Tasha Kama, Chair - Bill 38 (2023), Ohana Assistance Pilot Program under Chapter 3.34, Maui County Code (HLU-14)  
**Attachments:** HLU.Transmittal.Kama,11.28.23.pdf