

**COUNCIL OF THE COUNTY OF MAUI**  
**BUDGET, FINANCE, AND ECONOMIC**  
**DEVELOPMENT COMMITTEE**

March 8, 2024

**Committee**  
**Report No. \_\_\_\_\_**

Honorable Chair and Members  
of the County Council  
County of Maui  
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget, Finance, and Economic Development Committee, having met on February 26, 2024, makes reference to Bill 34 (2024), entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, APPENDIX A, PART II, SPECIAL PURPOSE REVENUES – SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2024, AFFORDABLE HOUSING FUND, HALE PILINA.”

Bill 34’s purpose is to amend the Fiscal Year (“FY”) 2024 Budget, Appendix A, Part II, Special Purpose Revenues – Schedule of Revolving/Special Funds for FY 2024, Affordable Housing Fund, by adding a new condition to read as follows: “Up to \$10,000,000 must be for a grant to Catholic Charities Housing Development Corporation for the Hale Pilina Project. The Hale Pilina 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 onsite manager. The affordability period is 61 years. TMK (2) 3-7-013:026 located at 150 South Pu‘unene Avenue, Kahului, Maui, Hawai‘i.”

Your Committee notes that the Council approved the Hale Pilina project with certain exemptions and modifications under Chapter 2.97, Maui County Code, by Resolution 21-177. The Council approved additional changes to the Project’s plans and specifications by Resolution 24-3.

Your Committee also notes that the Council previously approved grants from the Affordable Housing Fund for Hale Pilina of up to \$660,000

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for planning and design in FY 2022 and up to \$134,000 for water use development fees in FY 2023, respectively.

A representative of Catholic Charities Housing Development Corporation said the total project cost is approximately \$112 million. In addition to County funding, the Corporation intends to apply for the Low-Income Housing Tax Credit program and the State's Hula Mae Multi-Family Tax-Exempt Bond program. The Corporation will also seek funding from the State's Rental Housing Revolving Fund and other sources. The representative confirmed the estimated costs account for inflation and potential increases in labor and material.

The Director of Housing and Human Concerns confirmed the Administration's support for the Project, noting the potential for 178 affordable rental units to be shovel-ready by the end of the calendar year.

Your Committee expressed concern regarding the Department's process for determining which projects should receive Affordable Housing Fund awards and a desire for more housing projects in West Maui, especially in light of the August 2023 wildfires.

Your Committee voted 6-3 to recommend passage of Bill 34 (2024) on first reading. Committee Chair Sugimura, Vice-Chair Kama, and members Cook, Johnson, Lee, and U'u-Hodgins voted "aye." Committee members Paltin, Rawlins-Fernandez, and Sinenci voted "no."

Your Committee is in receipt of Bill 34, CD1 (2024), approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

Your Budget, Finance, and Economic Development Committee RECOMMENDS that Bill 34, CD1 (2024), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, APPENDIX A, PART II, SPECIAL PURPOSE REVENUES – SCHEDULE OF REVOLVING/SPECIAL

COUNCIL OF THE COUNTY OF MAUI


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FUNDS FOR FISCAL YEAR 2024, AFFORDABLE HOUSING FUND, HALE PILINA,” be PASSED ON FIRST READING and be ORDERED TO PRINT.

This report is submitted in accordance with Rule 8 of the Rules of the Council.

  
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YUKI LEI K. SUGIMURA, Chair

bfed:cr:24081aa:jgk

ORDINANCE NO. \_\_\_\_\_

BILL NO. 34, CD1 (2024)

A BILL FOR AN ORDINANCE AMENDING  
THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI,  
APPENDIX A, PART II, SPECIAL PURPOSE REVENUES –  
SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2024,  
AFFORDABLE HOUSING FUND, HALE PILINA

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

SECTION 1. Ordinance No. 5528, Bill No. 22, CD1, FD2 (2023), as amended, "Fiscal Year 2024 Budget", Appendix A, Part II, Special Purpose Revenues – Schedule of Revolving/Special Funds for Fiscal Year 2024, is amended as it relates to the Affordable Housing Fund by adding new conditional language for the Hale Pilina Project, to read as follows:

**"II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS  
FOR FISCAL YEAR 2024**

	<b>ESTIMATED BALANCE AS OF 6/30/2023</b>	<b>ANTICIPATED REVENUES FOR FY 2024</b>	<b>TOTAL FOR FY 2024</b>
L. Affordable Housing Fund (Section 9-20, Revised Charter of the County of Maui (1983), as amended; Chapter 3.35, Maui County Code)	24,244,705	43,016,123	67,260,828"
(1) Up to \$70,000 must be for Administrative expenses.			
(2) Up to \$5,800,000 must be for a loan for the planning, design and new construction of a 116-unit rental housing project for seniors aged 55 and above The Līloa Hale project will include 12 units at or below 30 percent of the AMI; 104 units at or below 60 percent of the AMI and one unit for a property manager. The affordability period is 62 years. TMK (2) 2-2-002:072 located in Kīhei, Maui, Hawai'i.			
(3) Up to \$1,897,586 must be for a grant to Hawai'i Community Development Board (HCDB) for new construction of a 35-unit multi-family, long-term rental housing project for 34 families and 1 unsheltered resident/family. The project will include 4 units at or below 30 percent of the AMI, 10 units at or below 50 percent of the AMI, and 21 units at or below 60 percent of the AMI and one unit for an onsite manager. The affordability period is 61 years. The			

project will be 4 garden-style apartment buildings at Hale O Pi'ikea III. TMK (2) 3-9-002:076 Unit D located at Pi'ikea Avenue and Līloa Drive, Kīhei, Hawai'i.

- (4) Up to \$3,300,000 must be for a grant to Hawai'i Community Development Board (HCDB) for new construction of an 89-unit multi-family, long-term rental housing project for 88 families and one unsheltered resident/family consisting of 9 units at or below 30 percent of the AMI, 9 units at or below 50 percent and 71 units at or below 60 percent of the AMI and one unit for an onsite property manager. The affordability period is 61 years. The project is comprised of 2 mid-rise apartment buildings at Hale O Pi'ikea I. TMK (2) 3-9-002:076 Unit A. Located at Pi'ikea Avenue and Līloa Drive, Kīhei, Hawai'i.
- (5) Up to \$2,150,000 must be for a grant to Hawai'i Community Development Board (HCDB) for a 95 family and one unsheltered rental housing at Hale O Pi'ikea II, TMK (2) 3-9-002:076, located at Pi'ikea Avenue and Līloa Drive, Kīhei, Maui, Hawai'i. The project will include 10 units at or below 30 percent of the AMI, 10 units at or below 50 percent and 76 units at or below 60 percent of the AMI. The project is one mid-rise apartment building.
- (6) Up to \$6,000,000 must be for a loan for planning, design and new construction of a 119-unit multi-family rental housing project. The Hale Mahaolu Ke Kahua (fka Waiehu Apts) project will include 12 units at or below 30 percent of the AMI, 107 units at or below 60 percent of the AMI and a manager's office. The affordability period is 62 years. TMK (2) 3-3-001:106 located at Kahekili Hwy & Wai'ehu Beach Road, Waihe'e-Waiehu, Maui, Hawai'i.

- (7) Up to \$7,500,000 must be for a grant to Ka Hale A Ke Ola Homeless Resource Centers, Inc. for the purchase and retrofit of TMK (2) 4-5-006:004 located at 222 Papalua Street, Lāhainā, Maui, Hawai'i.
- (8) Up to \$250,000 must be for a master plan and feasibility study for TMK (2) 4-9-002:058 (por.) located at 5th Street, Lāna'i City, Maui, Hawai'i.
- (9) Up to \$10,650,000 must be for a grant to Waikapū Development Venture LLC for the Waikapū Development Venture LLC Affordable Workforce Housing Project at TMK (2) 3-5-002:011. The release of these funds is contingent on Resolution 18-150, as amended by Resolution 20-107, being further amended to extend the completion of construction deadline beyond the current date of September 7, 2024.
- (10) Up to \$1,000,000 must be for a feasibility analysis and planning for development of affordable housing on County-owned parcels in Waikapū identified as TMKs (2) 3-6-002:004 and (2) 3-8-005:023.
- (11) Up to \$5,500,000 must be for planning, design, engineering, ground and site improvements, equipment and appurtenances, and construction to repurpose the Haggai Institute facility for affordable housing.
- (12) Up to \$6,000,000 must be for the Kuikahi Village Workforce Housing Project at TMK (2) 3-5-002:003 (por.) located in Wailuku, Maui, Hawai'i.

- (13) Up to \$4,929,088 must be for a grant to Aina Lani Pacific, LLC for on-site infrastructure for the Kilohana Makai project at TMK (2) 3-9-004:141, KThei, Maui, Hawai'i.
- (14) Up to \$10,000,000 must be for a grant to Catholic Charities Housing Development Corporation for the Hale Pilina project. The Hale Pilina 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 onsite manager. The affordability period is 61 years. TMK (2) 3-7-013:026 located at 150 South Pu'unene Avenue, Kahului, Maui, Hawai'i.

SECTION 2. New material is underscored.

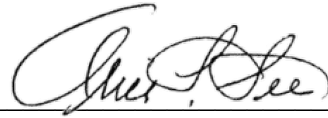
SECTION 3. This Ordinance takes effect upon approval.

APPROVED AS TO FORM AND LEGALITY:



KRISTINA C. TOSHIKIYO  
Deputy Corporation Counsel

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Alice L. Lee". The signature is written in black ink and is positioned above a horizontal line.

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ALICE L. LEE