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Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
Gabe Johnson
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Shane M. Sinenci
Nohelani U'u-Hodgins



Director of Council Services
David M. Raatz, Jr., Esq.

Deputy Director of Council Services
Richelle K. Kawasaki, Esq.

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

October 12, 2023

Ms. Lori Tsuhako, Director
Department of Housing and Human Concerns
County of Maui
Wailuku, Hawai'i 96793

Dear Ms. Tsuhako:

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

May I please request your response to the following:

1. Please provide your Department's comments and suggestions, if any, on the proposed Committee Draft 1 version of Bill 38. Please see attached copies for your reference.
2. Please identify whether your Department is in support of the proposed CD1 version of Bill 38, including the reasons why or why not.

May I further request a response by **October 24, 2023**. To ensure efficient processing, please transmit your response to hlu.committee@mauicounty.us and include the relevant Committee number in the subject line of your response.

Should you have any questions, please contact me or the Committee staff (Ana Lillis at ext. 7659, or Stacey Vinoray at ext. 7147).

Sincerely,

A handwritten signature in black ink, appearing to read "Tasha Kama", is written over a horizontal line.

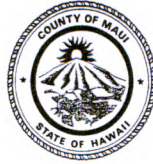
TASHA KAMA, Chair
Housing and Land Use Committee

Attachments

hlu:ltr:014ahc01:alkl

cc: Mayor Richard T. Bissen, Jr.

MOANA M. LUTEY
County Clerk



RICHELLE M. THOMSON
Deputy County Clerk

OFFICE OF THE COUNTY CLERK

COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/county/clerk

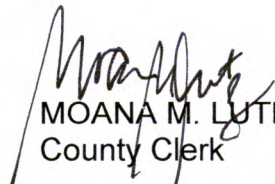
May 25, 2023

Honorable Tasha Kama, Chair
Housing and Land Use Committee
Council of the County of Maui
Wailuku, Hawaii 96793

Dear Chair Kama:

Pursuant to the adoption of Committee Report No. 23-34 on May 23, 2023, Bill No. 38 (2023) entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.34, MAUI COUNTY CODE, TO CREATE AND FUND AN 'OHANA ASSISTANCE PILOT PROGRAM" was referred to your Committee.

Respectfully yours,


MOANA M. LUTEY
County Clerk

/jym

Enclosure

cc: Director of Council Services

OFFICE OF THE
COUNTY CLERK

2023 MAY 25 PM 2:06

RECEIVED

ORDINANCE NO. _____

BILL NO. 38 (2023)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.34, MAUI COUNTY CODE, TO CREATE AND FUND AN 'OHANA ASSISTANCE PILOT PROGRAM

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

SECTION 1. Chapter 3.34, Maui County Code, is amended to read as follows:

"Chapter 3.34 HOME ACQUISITION, PROVISION, AND OWNERSHIP PROGRAMS REVOLVING FUND

3.34.010 Fund establishment. A fund [shall] will be established and created to be known as the "home acquisition, provision, and ownership programs revolving fund."

3.34.020 Purpose. The home acquisition, provision, and ownership programs revolving fund will enable the department of housing and human concerns to continue to maintain and expand existing programs and create new programs to meet the needs of Maui County residents qualified to participate in the first-time homebuyers down payment assistance program, the individual development account program, the 'ohana assistance pilot program, and similar future programs to be named in this paragraph upon establishment and approval by council.

3.34.030 Administration.

A. The director of finance [shall] will establish a separate account to record all revenues and expenses as a result of the home acquisition, provision, and ownership programs established in the County.

B. There [shall] will be deposited into the home [ownership and] acquisition, provision, and ownership programs revolving fund any council appropriations to the first-time homebuyers program or the 'ohana assistance pilot program, all moneys granted or donated to the County in the future for home acquisition, provision, and ownership programs, and all moneys repaid to the County by previous recipients of home acquisition, provision, and ownership

programs. Funds deposited into the home acquisition, provision, and ownership programs revolving fund will not lapse at the end of the fiscal year.

C. Any proposed appropriation from the fund [shall] will be submitted to the council for approval as a budget appropriation in either the annual budget or a proposed amendment to the budget ordinance. In adopting each fiscal year's budget and capital program, the council may make appropriations to the fund.

3.34.040 Use of fund.

A. Council appropriations from the home acquisition, provision, and ownership programs revolving fund [shall] may be for the public purposes set forth in section 3.34.020.

B. The department of housing and human concerns, by itself, with, or through a grantee, must create an 'ohana assistance pilot program to offer grants of up to \$50,000 to property owners to build an accessory dwelling or second farm dwelling for permanent long-term occupancy as residential workforce housing units.

3.34.050 Term of fund. The ordinance codified in this chapter [shall] will automatically expire on June 30, 2031, unless reenacted by the council as provided by law."

SECTION 2. New material is underscored. In printing this bill, the County Clerk need not include the underscoring.

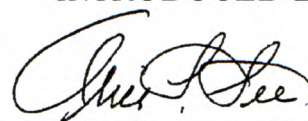
SECTION 3. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:

Department of the Corporation Counsel
County of Maui

paf:alkl:23-090b

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Alice L. Lee", written in dark ink.

ALICE L. LEE

August 16, 2023, Committee meeting

HOUSING AND LAND USE COMMITTEE
Amendment Summary Form

Legislation: Bill 38 (2023), entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.34, MAUI COUNTY CODE, TO CREATE AND FUND AN 'OHANA ASSISTANCE PILOT PROGRAM."

Proposer: Alice L. Lee, Council Chair. 

Motion: Move to substitute Bill 38 (2023) with the proposed CD1 version.

Effect: The proposed CD1 version takes into consideration the 'Ohana Assistance Program established by recently enacted Ordinance 5525 and establishes criteria for the program in addition to making other technical fixes.

Attachments: Proposed CD1 version of Bill 38 (2023).

paf:23-218b:rem

ORDINANCE NO. _____

BILL NO. 38, CD1 (2023)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.34, MAUI COUNTY
CODE, ESTABLISHING CRITERIA FOR THE 'OHANA ASSISTANCE PROGRAM
WITHIN THE HOMEOWNER PROGRAMS REVOLVING FUND

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

SECTION 1. Chapter 3.34, Maui County Code, is amended to read as
follows:

“Chapter 3.34

HOMEOWNER PROGRAMS REVOLVING FUND

Sections:

3.34.010	Fund establishment.
3.34.020	Purpose.
3.34.030	Administration.
3.34.040	Use of fund.
3.34.050	[Term of fund.] <u>Homeowner programs.</u>
3.34.060	<u>Homeowner programs criteria.</u>

3.34.010 Fund establishment. A fund is established and created to be known as the “homeowner programs revolving fund.”

3.34.020 Purpose. The fund’s purpose is to provide a stable and continuing source of funding to maintain and expand existing homeowner programs and to create new programs to meet the housing opportunity needs of Maui County residents. Grants from this fund will provide capital to first-time homebuyers through the first-time homebuyers down payment assistance program; matching funds through the individual development account program; grants for homeowners to build accessory dwellings or second farm dwellings for use as long-term residential workforce housing, as defined in section 2.96.020, through the ‘ohana assistance program; [shared equity investment opportunities to buy down the price of homes and lower monthly mortgage payments for buyers;] and for

similar future programs to be named in this paragraph upon establishment and approval by council.

3.34.030 Administration. A. The director of finance will establish a separate account to record all revenues and supplemental transfers credited to and expenditures made from the fund [, and each account within the fund].

B. There will be deposited into the homeowner programs revolving fund any council appropriations to the first-time homebuyers down payment assistance program [account], the individual development account program [account], and the 'ohana assistance program [account, and the shared equity program account]; all money granted or donated to the County in the future for homeowner programs; and all money repaid to the County by previous recipients of homeowner programs.

C. Any proposed appropriation from the fund must be submitted to the council for approval as a budget appropriation in either the annual budget ordinance, or a proposed amendment to the budget ordinance. In adopting each fiscal year's budget and capital program, the council may make appropriations to the fund.

D. Any unencumbered balance [in each account] in the fund at the end of each fiscal year will not lapse but must remain [in each account] in the fund, accumulating from year to year.

E. The council may by ordinance establish procedures for the administration and expenditure of the revenues in this fund. Any appropriations to this fund will not substitute, but will be in addition to, those appropriations historically made for the purposes stated in this chapter.

3.34.040 Use of fund. Council appropriations from the homeowner programs revolving fund must be for the public purposes in section 3.34.020.

3.34.050 Homeowner programs. The homeowner programs fund [must contain the following separate accounts] is administered by the department of housing and human concerns or the department that is assigned to oversee housing and must include the following programs:

A. First-time [homebuyer] homebuyers down payment assistance program [account. The first-time homebuyer down payment assistance program will be administered by the department of housing and human concerns or by the department that is assigned to oversee housing].

B. Individual development account program [account. The individual development account program will be

administered by the department of housing and human concerns or by the department that is authorized to oversee housing].

C. 'Ohana assistance program [account. The 'ohana assistance program account will be administered by the department of housing and human concerns or by the department that is authorized to oversee housing.

1. The department of housing and human concerns or the department that is authorized to oversee housing, by itself, or with, or through a grantee, will offer grants of up to \$50,000 to property owners to build an accessory dwelling or second farm dwelling for long-term occupancy as residential workforce housing units.

2. Grant recipients will contractually agree to deed restrictions that abide by affordable rent guidelines as established by HUD each year and to rent long-term exclusively to permanent, full-time residents of Maui County.

3. The deed restrictions imposed by this section run with and bind the housing unit, and the department must record the restrictions with the bureau of conveyances or the land court of the State].

D. Shared equity program [account. The shared equity program account will be administered by the department of finance. Shared equity investments to buy down the price of homes and lower monthly mortgage payments for buyers may be approved each year by the council in the annual budget ordinance or by ordinance at any time during a fiscal year using available funds in the shared equity program account].

3.34.060 Homeowner programs criteria. The homeowner programs are subject to the following 'ohana assistance program criteria:

A. The department, by itself or with or through a grantee, will offer grants of up to \$50,000 to property owners to build accessory dwellings or second farm dwellings for long-term occupancy as residential workforce housing units.

B. 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. The dwelling may also be occupied long-term exclusively to permanent, full-time residents of Maui County at no cost to the occupant.

C. Any grant applicant must be the owner and a full-time, permanent resident of the subject property, and the property must be the applicant's primary residence.

D. The property must be classified as owner-occupied homeowner by the real property assessment division and must have maintained that classification without interruption for at least five years prior to the applicant submitting a grant application.

E. Grant applications must include a detailed budget and timeline.

F. Only one grant may be awarded to any owner or property.

G. The department must establish buy-back provisions if the subject property is sold.

H. If the subject property becomes subject to a condominium property regime, 100 percent of the grant award must be paid back to the County.

I. The deed restrictions imposed by this section run with the land and bind the dwelling funded in part by the grant, and the department must record the restrictions with the bureau of conveyances or the land court of the State."

SECTION 2. Material to be repealed is bracketed. New material is underscored. In printing this bill, the County Clerk need not include the brackets, the bracketed material, or the underscoring.

SECTION 3. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel
Department of the Corporation Counsel
County of Maui

paf:rem:23-218a

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.

ALICE L. LEE