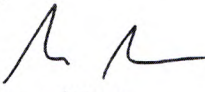


AFFORDABLE HOUSING COMMITTEE
Amendment Summary Form

Legislation: Bill 103 (2022), relating to residential workforce housing deed restrictions and resale.

Proposer: Gabe Johnson, Chair 
Affordable Housing Committee

Description: Amend Bill 103 (2022) to specify that affordable housing projects under Chapter 201H, Hawai'i Revised Statutes, must comply with the requirements of Chapter 2.96, Maui County Code. When Chapter 201H and Chapter 2.96 are in conflict, Chapter 201H will control, except Chapter 201H projects must comply with Section 2.96.060(B)(4).

Motion: Move to amend Section 2.96.030(E) to insert the following clause at the end of the second sentence following the word "control": "If the terms of this chapter and chapter 201H are in conflict, the terms contained in chapter 201H control, except chapter 201H projects must comply with Section 2.96.060(B)(4)";

and, further, to insert a new Section 2.96.060(B)(4) to read as follows: "4. Projects developed under chapter 201H, Hawai'i Revised Statutes, must comply with section 2.96.060(B)(2)."

Attachments: Proposed CD1 version of Bill 103 (2022), incorporating amendments referenced above and nonsubstantive revisions.

ah:misc:031aasf01:pmg

ORDINANCE NO. _____

BILL NO. 103 (2022)

A BILL FOR AN ORDINANCE AMENDING SUBSECTIONS 2.96.030(E) AND 2.96.060(B), MAUI COUNTY CODE, RELATING TO RESIDENTIAL WORKFORCE HOUSING DEED RESTRICTIONS AND RESALE

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

SECTION 1. The purposes of the Ordinance are to amend the residential workforce housing deed restrictions to require units be sold to owner-occupants in perpetuity and to increase the time-period for all other restrictions.

SECTION 2. Section 2.96.030, Maui County Code, is amended by amending subsection E to read as follows:

“E. Projects ~~[pursuant to]~~ under chapter 201H, ~~[Hawaii]~~ Hawai'i Revised Statutes, ~~[shall be]~~ are subject to the requirements of this chapter~~], provided that where].~~ If the terms of this chapter and chapter 201H are in conflict, the terms contained in chapter 201H ~~[shall]~~ control[.], except chapter 201H projects must comply with Section 2.96.060(B)(4).”

SECTION 3. Section 2.96.060, Maui County Code, is amended by amending subsection B to read as follows:

- “B. Deed restrictions.
1. The unit must be owner-occupied in perpetuity.
 - ~~[1.]~~ 2. The ownership units within each income group ~~[shall]~~ will be subject to ~~[the]~~ all other deed restrictions contained in this section for the following periods:
 - a. “Below-moderate income,” ~~[ten]~~ twenty years.
 - b. “Moderate income,” ~~[eight]~~ sixteen years.
 - c. “Above-moderate income,” ~~[five]~~ ten years.

[2.] 3. For the [deed-restricted period,] respective periods identified in subsection (B)(2), the following [shall] apply:

[a.] The unit must be owner-occupied.]

[b.] a. The owner must notify the department upon a decision to sell.

[c.] b. Upon the owner's decision to sell, the County [shall] must have the first option to purchase the unit from the owner; [said] the option [shall] must be available to the County for a period of ninety days from receipt of written notice from the owner.

[d.] c. Upon sale of the unit, the deed restrictions [shall] will remain in full force and effect for the remainder of the [deed-restricted period] respective periods identified in subsection (B)(2) that commenced at the time of the initial sale.

[e.] d. Under special circumstances, an owner of a residential workforce housing unit may appeal to the department for a waiver of the owner-occupancy deed restriction; these circumstances would include[, but are not limited to,] assignment to active military duty or short-term contracts for off-island employment.

[f.] e. Resale. The maximum resale price [shall] must be established by the department using the following guidelines:

i. An appraisal of the property [shall be] is required before occupancy.

ii. A second appraisal [shall be] is required upon a decision to sell the unit.

iii. Twenty-five percent of the difference between the two appraisals [shall] must be added to the owner's purchase price.

[g.] f. An owner of a residential workforce housing unit that is being resold must sell the unit to an income-qualified household and notify the department of the sale. The department [shall] must verify the sales price.

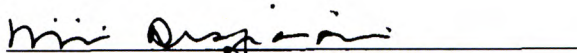
[h.] g. The restrictions contained in subparagraphs [2a through 2g] 2b through 2f above [shall] do not apply in situations of foreclosure.

4. Projects developed under chapter 201H, Hawai'i Revised Statutes, must comply with section 2.96.060(B)(2)."

SECTION 4. 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 5. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:



MIMI DESJARDINS

Deputy Corporation Counsel
Department of the Corporation Counsel
County of Maui

LF2021-0011
AH-31 2022-10-27 Ord Amd Ch 2.96
ah:misc:031abill01

INTRODUCED BY:

Tamara M. Paltin

TAMARA PALTIN