

ORDINANCE NO. _____

BILL NO. 103 (2022)

A BILL FOR AN ORDINANCE AMENDING SECTION 2.96.060, 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 this 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 2.96.060, 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 be] are 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 have] has 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] will 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] 25 percent of the difference between the two appraisals [shall] will 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.

C. Sales price [-] of dwelling units. The sales price of a new dwelling unit [shall] will be established by the department based on current HUD price guidelines.”

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:



MIMI DESJARDINS

Deputy Corporation Counsel
Department of the Corporation Counsel
County of Maui

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INTRODUCED BY:

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