

ORDINANCE NO. _____

BILL NO. 14 (2026)

A BILL FOR AN ORDINANCE AMENDING SUBSECTION 2.96.090(D),
MAUI COUNTY CODE, ON THE SELECTION PRIORITY FOR
RESIDENTIAL WORKFORCE HOUSING OWNERSHIP UNITS

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

SECTION 1. By Ordinance 5875, effective October 27, 2025, the Council refined the County's Residential Workforce Housing Policy to foster the production and protection of the County's residential workforce housing units. Among other things, the Ordinance inserted the County into the selection priority for residential workforce housing ownership units.

This Ordinance's purpose is to amend Subsection 2.96.090(D), Maui County Code, by:

1. Inserting references to the County's priority—after residents on the wait list and before nonresidents on the wait list—for consistency throughout the subsection.
2. Reinserting requirements for documents verifying the sale of residential workforce housing units to eligible buyers—which were inadvertently omitted when Ordinance 5875 was enacted—and except the County from the requirements.

SECTION 2. Section 2.96.090, Maui County Code, is amended by amending Subsection D to read as follows:

"D. Selection priority.

1. Residents on the wait list will receive first priority for the available units. The County will have second priority for available units under paragraph 4. Nonresidents on the wait list may purchase a residential workforce housing unit once the wait list has been exhausted of all residents[,] and the County's 90 days has expired.

2. The developer or its representative may do a mass mailing of housing applications to applicants on the project wait list.

3. The residential workforce housing units must be offered to residents in the order in which their names were drawn in the lottery, [provided that] if there is a unit available in the income group for which they qualify. To the extent permitted by law, the resident applicants selected by lottery must be ranked by the total length of time each has been a resident of the County, and the workforce housing units must be offered in the order of the rankings. Once the wait list has been exhausted of all residents, units must be offered to the County under paragraph 4. Following the County's 90-day period, nonresidents will be offered residential workforce housing units in the order in which their names were drawn in the lottery.

4. If units are not sold to residents within the first 90 days after they are offered for sale, and the developer has made a good-faith effort, as determined by the director, to contact and qualify applicants on the wait list, the sale of remaining units must be conducted as follows:

a. For the next 90-day period, units must be offered for sale to the next higher resident income preference group at the original sales price. For example, units targeted for families earning up to 120 percent of the median income may be sold to families earning up to 140 percent of the median income. All other eligibility criteria apply.

b. Units must be offered to the next higher resident income group every 90 days until the units are sold or there are no more resident income groups available.

c. Units must then be offered for sale to the County for 90 days.

d. If the County does not provide written notification to the developer of its intent to purchase all units offered to the County within 90 days, the remaining units must then be offered to nonresidents on the wait list in the order in which their names were

drawn in the lottery, for the next 90-day period, if the applicant's income is within the residential workforce housing income groups.

e. Any units that remain unsold may be offered at market rate without deed restrictions. Upon the sale of the unit, the County must receive 50 percent of the difference between the original sales price of the unit and the actual market rate sales price, for deposit into the affordable housing fund. In this event, the developer will have satisfied the requirement for producing a residential workforce housing unit.

5. Except when the County is the buyer, the developer or its representative must submit copies of the following documents to the department to verify the sale of residential workforce housing units to eligible buyers:

a. Applicant's completed ownership application.

b. Executed sales contract.

c. Pre-qualification notice from the lender.

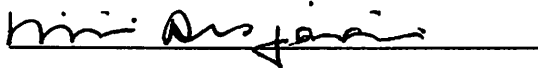
d. All signed federal and state tax returns used to determine eligibility or other documents used to determine eligibility by the lender.

e. Escrow company's settlement statement."

SECTION 3. 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 4. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:



Department of the Corporation Counsel
County of Maui

paf:cmn:26-018a

INTRODUCED BY:

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