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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](http://www.MauiCounty.us)

March 22, 2026

Mr. Richard E. Mitchell, Director  
Department of Housing  
County of Maui  
Wailuku, Hawaii 96793

Dear Mr. Mitchell:

**SUBJECT: PROPOSED FISCAL YEAR 2027 BUDGET FOR THE  
COUNTY OF MAUI (BFED-1) (HO-01)**

May I please request you submit your response to the following questions by **April 2, 2026**. This will enable the Committee to comprehensively review the FY 2027 Budget.

Please restate each question followed by the corresponding response. Please also ensure the response is clear and legible using a minimum 12-point font, including any attachments or exhibits. This formatting allows Members and the community to clearly read the document once posted.

1. Please outline the major changes in your Department's budget from FYs 2026 to 2027. If your budget will decrease, how will this impact your Department's operations and ability to serve the public?
2. How many vacant positions currently exist within your Department?
  - a. For each vacancy, please include the position ID, job title, the date the position became vacant, and the anticipated hire date.
  - b. What are the consequences, if any, for removing funding for these vacant positions from the FY 2027 Budget?
  - c. Please use the following format to respond:

<b>Position ID</b>	<b>Department</b>	<b>Program</b>	<b>Job Title</b>	<b>Date of Vacancy</b>	<b>Anticipated Hire Date</b>	<b>Impact of Removing or Reducing Funding</b>
[insert]	[insert]	[insert]	[insert]	[insert]	[insert]	[insert]

3. If your Department’s FY 2026 Budget contained expansion positions, please provide the following:
  - a. A list of the expansion positions.
  - b. For each expansion position that has not been filled, please indicate whether the position is included in the FY 2027 Budget.
  - c. For each unfilled expansion position included in the FY 2027 Budget:
    - i. Please state how many months of funding are being requested.
    - ii. Please identify where the position is in the hiring process — position creation; Administration, Department of Personnel Services, or union review; recruitment; interview; or other stage.
  - d. Please use the following format to respond:

<b>Position ID</b>	<b>Job Title</b>	<b>Department</b>	<b>Program</b>	<b>Filled?</b>	<b>Date Filled</b>	<b>Included in Fiscal Year 2027 Budget?</b>	<b>Months of Funding Requested in Fiscal Year 2027</b>	<b>Current Stage in Hiring Process</b>
[insert]	[insert]	[insert]	[insert]	[Yes/No]	[insert or N/A]	[Yes/No]	[insert or N/A]	[insert]

4. If your Department is proposing expansion positions in the FY 2027 Budget, how do you plan to fill those positions? Please also identify whether there are any similar positions within the same division, section, or Department that are currently vacant. If so, please state how long each similar position has been vacant.
5. How many positions were filled in FY 2026 that were not expansion positions?
6. How did your Department recruit to fill vacancies and what were the most effective methods for attracting candidates?

7. The following questions are related to overtime payments:
  - a. How much OT has been paid in FY 2026, to date, and what was the reason for the overtime?
  - b. What is the Department's process for authorizing, approving, and reviewing OT worked and OT paid to employees?
  - c. Were any of these OT costs attributed to the number of vacant positions in your Department?
  - d. Do you anticipate that OT costs in FY 2027 will increase or decrease and what are the reasons for your assumption?
8. The following questions are related to your Department's program and activities for FY 2027:
  - a. Identify the programs and activities conducted by your Department because of a Federal or State mandate. Indicate the amount of Federal or State funding your Department anticipates receiving and the amount of County funding your Department is requesting.
  - b. Identify the programs and activities conducted solely because of a Maui County Code mandate and indicate the amount your Department is requesting.
9. If your Department had Capital Improvement Projects in FY 2026:
  - a. Provide the status of each CIP if it is different from the information provided in the FY 2026 2<sup>nd</sup> Quarter CIP Report.
  - b. Provide information on how much funding has been encumbered or expended to date for each project.
10. If your Department has proposed Capital Improvement Projects for FY 2027:
  - a. Rank your proposed CIPs, by priority.

- b. Will CIP funding included in the FY 2027 Budget be encumbered by June 30, 2027? If not, how much do you anticipate will be encumbered by that date?
11. How many contracts did your Department execute in FY 2026? Please provide the total number and total dollar value of contracts awarded through each of the following procurement methods:
  - a. Request for Proposals.
  - b. Invitation for Bids.
  - c. Sole-Source Procurement.
12. If your Department manages a revolving fund:
  - a. Explain whether the revolving fund is still needed and why.
  - b. Provide the current balance.
13. If your Department manages grants:
  - a. Please provide a master list of all executed grants and all grants held up in review, including the reason each is being held.
  - b. For each grant line item not designated for a specific recipient (e.g., Small Business Promotion; Youth Programs), provide a breakdown of the grants that will be funded by the line item.
  - c. Provide a breakdown of all grants that will be funded by your Department under Sub-object Code 6317, County grant subsidy.
14. What are your top three Department priorities for FY 2027? How does your Department's budget reflect those priorities?
15. Did your Department apply for any grant funding in FY 2026? If yes, how much was received?
16. How much has your Department spent on Professional Services in FY 2026? What projects and consultants were funded under this line item?

17. How much of your Department's expenditures in FY 2026 will be reimbursed by the Federal Emergency Management Agency for the August 2023 Maui Wildfires? What amount of FY 2027 expenditures are expected to be reimbursed?
18. If your Department is receiving Federal grants, including pass-through grants:
  - a. Provide the amount your Department is receiving for routine operations.
  - b. Provide the amount your Department is receiving for August 2023 Maui Wildfires disaster recovery.
  - c. Explain any factors that could jeopardize the receipt of Federal grants, including changes in Federal policies, compliance requirements, or expiration dates.
  - d. Explain whether any Federal grants your Department has received or anticipates receiving have been reduced, suspended, terminated, or otherwise cut by the awarding agency.
    - i. For each affected grant, provide the amount affected, the effective date, the stated reason, and the impact on your Department.
  - e. Explain how your Department will adjust if it does not receive the anticipated Federal grant funding.
19. If your Department received funding to repair or replace equipment, locations, and structures destroyed in the wildfires, provide the current status for each. If there are items still pending repair or replacement, provide the estimated cost and timeline for the repair or replacement.
20. If your Department is managing a Council-initiated condition or appropriation in FY 2026, explain any challenges your Department faced in implementing the condition or appropriation and what information would have assisted you.

Mr. Richard E. Mitchell  
March 22, 2026  
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The Department is scheduled to present on **April 6, 2026**. The schedule is subject to change and Committee staff will reach out if there are any changes to the schedule.

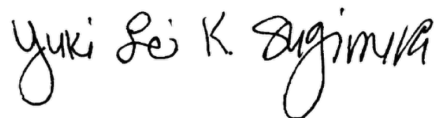
Please be prepared to give a presentation of up to 10 minutes on changes to your Department's budget from Fiscal Year 2026 to Fiscal Year 2027, addressing the following:

- Operations
- CIPs, if any
- Grants awarded by the Department, if any
- Grants received by the Department, if any
- Revolving funds, if any
- Rates and fees, including any estimated increase or decrease in revenue as a result of the changes

Please transmit your response to [bfed.committee@mauicounty.us](mailto:bfed.committee@mauicounty.us) by **April 2, 2026**. To ensure efficient processing, please include the Committee item number in the subject line.

Should you have any questions, please contact me or the Committee staff (Kirsten Szabo at ext. 7662, James Krueger at ext. 7661, or Pauline Martins at ext. 8039).

Sincerely,



YUKI LEI K. SUGIMURA, Chair  
Budget, Finance, and Economic  
Development Committee

bfed:2027bgt:260319aho01:kes

cc: Mayor Richard T. Bissen, Jr.  
Budget Director

## BFED Committee

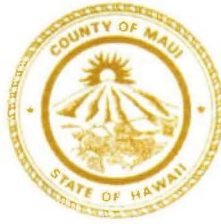
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**From:** BFED Committee  
**Sent:** Monday, March 23, 2026 7:44 PM  
**To:** Richard E. Mitchell  
**Cc:** Michelle Santos; Zeke Kalua; Lesley Milner; Saumalu Mataafa;  
Amanda.M.Martin@co.maui.hi.us; Jill.Peterson@co.maui.hi.us  
**Subject:** PROPOSED FISCAL YEAR 2027 BUDGET FOR THE COUNTY OF MAUI (BFED-1) (HO-01)  
**Attachments:** (HO-01) Correspondence to Housing 03-23-2026.pdf

**RICHARD T. BISSEN, JR.**  
Mayor

**RICHARD E. MITCHELL, ESQ.**  
Director

**SAUMALU MATA'AVA**  
Deputy Director



**DEPARTMENT OF HOUSING**  
COUNTY OF MAUI  
2065 MAIN STREET, SUITE 108  
WAILUKU, MAUI, HAWAI'I 96793  
PHONE: (808) 270-7351  
FAX: (808) 270-6284

April 2, 2026

Honorable Richard T. Bissen, Jr.  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawai'i 96793

APPROVED FOR TRANSMITTAL

*Richard T. Bissen, Jr.* 4-2-26  
Mayor Date

For transmittal to:

Honorable Yuki Lei K. Sugimura, Chair  
Budget, Finance, and Economic Development Committee  
Maui County Council  
Wailuku, Hawai'i 96793

Dear Chair Sugimura:

**SUBJECT: PROPOSED FISCAL YEAR 2027 BUDGET FOR THE  
COUNTY OF MAUI (BFED-1) (HO-01)**

The Department of Housing (Department) is in receipt of the Budget, Finance, and Economic Development (BFED) Committee's letter dated March 22, 2026, which requested a response by April 2, 2026. Both the BFED Committee's questions and the Department's responses follow:

- 1. Please outline the major changes in your Department's budget from FYs 2026 to 2027. If your budget will decrease, how will this impact your Department's operations and ability to serve the public?**

Major changes to the Department's budget include:

- Increased funding for the Rental Assistance Program
- Increased funding for Affordable Housing Fund projects
- Deletion of one-time FY 2026 county grant subsidies

The Department's overall budget decreased from FY 2026 to FY 2027. However, the large decrease in general funds is attributed to the deletion and reduction of one-time FY 2026 county grant subsidies which include:

- Lanai Affordable Housing Project - \$10 million
- Lahaina Community Land Trust - \$6 million
- Hale O Laie - \$2.7 million reduction
- Kilohana Makai Workforce Housing - \$1 million

Funding for the above-mentioned projects has been encumbered through general fund grant agreements.

Department operations will not be affected even though there is a decrease in the Department's general fund appropriations in its proposed FY 2027 budget.

**2. How many vacant positions currently exist within your Department?**

The Department has one vacant position that is 90 days or older.

**a. For each vacancy, please include the position ID, job title, the date the position became vacant, and the anticipated hire date.**

Please see responses in 2.c. below.

**b. What are the consequences, if any, for removing funding for these vacant positions from the FY 2027 Budget?**

Please see responses in 2.c. below.

**c. Please use the following format to respond:**

Position ID	Dept.	Program	Job Title	Date of Vacancy	Anticipated Hire Date	Impact of Removing or Reducing Funding
P-32559	Hsg.	County Housing Programs Division	Housing Program Specialist	December 31, 2025	May 2026	Decrease in Dept's. operational efficiency

**3. If your Department's FY 2026 Budget contained expansion positions, please provide the following:**

**a. A list of the expansion positions.**

The six positions reflected as expansion positions in the FY 2026 budget were added to the FY 2025 Budget by Ordinance 5769. All six expansion positions were filled.

**b. For each expansion position that has not been filled, please indicate whether the position is included in the FY 2027 Budget.**

Not applicable.

**c. For each unfilled expansion position included in the FY 2027 Budget:**

**i. Please state how many months of funding are being requested.**

Not applicable.

**ii. Please identify where the position is in the hiring process — position creation; Administration, Department of Personnel Services, or union review; recruitment; interview; or other stage.**

Not applicable.

**d. Please use the following format to respond:**

Position ID	Job Title	Dept.	Program	Filled	Date Filled	Included in FY27 Budget?	Months of Funding Requested in FY27	Current Stage in Hiring Process
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N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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- 4. If your Department is proposing expansion positions in the FY 2027 Budget, how do you plan to fill those positions? Please also identify whether there are any similar positions within the same division, section, or Department that are currently vacant. If so, please state how long each similar position has been vacant.**

If funded by the Council, the Department plans on converting expansion positions from civil service to exempt. The Department will recruit by soliciting resumes and cover letters through the County’s job posting platform. There are no similarities in duties between the proposed expansion positions and similar positions within the same division or section.

- 5. How many positions were filled in FY 2026 that were not expansion positions?**

The Department did not request expansion positions in its FY 2026 budget. Only existing unfilled positions were filled in FY 2026:

- Secretary III - July 1, 2025
- FHPD Administrator - July 7, 2025
- HCD Project Development Coordinator - August 11, 2025
- Hsg. Program Specialist - October 16, 2025
- HCV Program Manager (HCV Program) - November 1, 2025
- HCD Administrator - November 16
- CHPD Secretary - December 8, 2025
- Hsg. Program Specialist - December 16, 2025
- HCD Project Development Coordinator - January 5, 2026
- HCD Project Development Coordinator - January 5, 2026
- FHPD Secretary - February 2, 2026
- HCD Secretary - February 2, 2026
- Hsg. Program Specialist (HCV Program) - February 2, 2026
- Hsg. Program Specialist (HCV Program) - February 2, 2026
- Hsg. Program Supervisor (HCV Program) - February 2, 2026
- Hsg. Program Specialist - February 2, 2026
- Hsg. Program Accountant - March 16, 2026
- Hsg. Inspector (HCV Program) - April 1, 2026
- Hsg. Research Analyst - April 6, 2026

**6. How did your Department recruit to fill vacancies and what were the most effective methods for attracting candidates?**

The Department converted vacant civil service positions to exempt in FY 2026 to fill vacancies, under Section 76-77(14), Hawai'i Revised Statutes. By utilizing the mechanism authorized under State law, the Department was able to more effectively screen initial applications, onboard employees quickly, and offer competitive salaries.

**7. The following questions are related to overtime payments:**

**a. How much OT has been paid in FY 2026, to date, and what was the reason for the overtime?**

The Department issued \$2,080.33 in overtime payments in FY 2026. Overtime is granted to employees to offset a vacancy.

**b. What is the Department's process for authorizing, approving, and reviewing OT worked and OT paid to employees?**

If overtime is needed, each employee must submit a Projected Overtime Request Form (PORF) outlining the justification for the request, along with the anticipated dates and times. The PORF must be approved by the employee's immediate supervisor and the Director of Housing. Once the PORF is reviewed and approved, the employee may proceed with the authorized overtime hours.

After completing overtime, the employee must submit a Completed Overtime Approval Form (COAF) documenting the work performed and the actual hours worked. The COAF is then reviewed and approved by the immediate supervisor and the Director of Housing.

**c. Were any of these OT costs attributed to the number of vacant positions in your Department?**

The Department's standard approach is to authorize compensatory time off (CTO) in lieu of overtime whenever possible. Overtime payments and CTO were authorized in FY 2026 due to vacancies.

- d. **Do you anticipate that OT costs in FY 2027 will increase or decrease and what are the reasons for your assumption?**

The Department expects overtime costs to decrease in FY 2027. As mentioned in the Department's response to Question 7.c., overtime and CTO were authorized due to vacancies. The Department expects to be fully staffed in FY 2027.

8. **The following questions are related to your Department's program and activities for FY 2027:**

- a. **Identify the programs and activities conducted by your Department because of a Federal or State mandate. Indicate the amount of Federal or State funding your Department anticipates receiving and the amount of County funding your Department is requesting.**

The Department manages a \$2 million contract with the State of Hawaii for the County Housing Programs Division's (CHPD) Ohana Zone Program to operate the County's Huliau property in Kahului. The program provides property management and case management funds for twelve families housed at Huliau.

The contract ends on June 30, 2026. The Department has negotiated a no-cost contract extension with the State and does not expect any additional funding.

The Department is anticipated to receive the following federal grants from the U.S. Department of Housing and Urban Development (HUD):

- Housing Choice Voucher (Section 8) Program - \$36,500,000.
- Community Development Block Grant (CDBG) Program - \$1,889,272.
- HOME Investment Partnerships (HOME) Program - \$2,850,000 (Federal grant funding for HOME is awarded on a three-year allocation cycle).
- HOME – American Rescue Plan (HOME-ARP) Program - \$1,977,568 (One-time allocation in August 2022).
- National Housing Trust Fund (HTF) Program - \$1,425,000 (Federal grant funding for HTF is awarded on a three-year allocation cycle).

- Congressionally Directed Spending (CDS) Program - \$1,450,000.

**b. Identify the programs and activities conducted solely because of a Maui County Code mandate and indicate the amount your Department is requesting.**

The Department manages the following revolving funds that are included in the Maui County Code (MCC):

- Affordable Housing Fund \$79,187,849 to fund the Department's FY 2027 projects.
- Homeowner Programs Revolving Fund:
  - Ohana Assistance Program: \$2,000,000
  - First-Time Homebuyers Program: \$2,000,000
- Experimental & Demonstration Housing Fund: The Department is not seeking additional funding but is requesting reauthorization of FY 2026 funding in FY 2027. The Department issued its solicitation for proposals on March 27, 2026. Proposals are due on April 30, 2026. Additional time is requested to execute grants and loans.

**9. If your Department had Capital Improvement Projects in FY 2026:**

**a. Provide the status of each CIP if it is different from the information provided in the FY 2026 2<sup>nd</sup> Quarter CIP Report.**

The Department has one FY 2026 CIP that funds predevelopment costs for the redevelopment of Komohana Hale Apartments.

The Department has encumbered funds for site planning. The total CIP amount authorized in FY 2026 is \$2 million. The authorized amount is from received insurance funds after the property was destroyed in the August 2023 wildfires.

**b. Provide information on how much funding has been encumbered or expended to date for each project.**

\$2 million has been appropriated for predevelopment and construction costs related to the Komohana Hale Apartments rebuild.

\$421,415.28 has been encumbered for the site assessment and concept design.

**10. If your Department has proposed Capital Improvement Projects for FY 2027:**

**a. Rank your proposed CIPs, by priority.**

Not applicable.

**b. Will CIP funding included in the FY 2027 Budget be encumbered by June 30, 2027? If not, how much do you anticipate will be encumbered by that date?**

Not applicable.

**11. How many contracts did your Department execute in FY 2026? Please provide the total number and total dollar value of contracts awarded through each of the following procurement methods:**

**a. Request for Proposals.**

- CDBG Program: 1 property management services contract in the amount of \$100,000 for Na Hale Kupuna operations with J. Walter Cameron Center.
- HOME/HTF/HOME-ARP: 1 professional services contract in the amount of \$199,735 for professional services, multi-year contract, divided between three funding sources.

Total contracts executed in the Federal Housing Programs Division: 2 contracts totaling \$299,735.

Total contracts executed in the Housing and Community Development Division (HCDD): 1 contract totaling \$421,415.28 for predevelopment costs.

**b. Invitation for Bids.**

Total contracts executed by CHPD: One contract totaling \$13,700 for a Metes and Bounds Survey for workforce housing buyback. The Department utilized the qualification-based selection procurement process.

**c. Sole-Source Procurement.**

Not applicable.

**12. If your Department manages a revolving fund:**

**a. Explain whether the revolving fund is still needed and why.**

The Charter of the County of Maui (1983), as amended, mandates the existence of the Affordable Housing Fund. It is essential in providing seed funding for critical affordable housing programs and projects.

The Homeowner Programs Revolving Fund, required under Chapter 3.34, MCC, provides homeowner and prospective homeowner funding opportunities for residents and helps add units to the county's residential workforce housing inventory. The revolving fund is essential to managing the Ohana Assistance Program, First-Time Homebuyers Program, and Voluntary Deed Restriction Program.

The Experimental and Demonstration Housing (EDH) Fund Program provides innovative housing solutions for Maui County residents and is still needed to solicit future applications.

The Department has issued a Select Notice and Application for the EDH Projects Fund Program with a due date of April 30, 2026. The HCDD is currently accepting EDH Project Fund applications to develop three county-owned parcels with affordable housing.

**b. Provide the current balance.**

The Budget Office will provide updated balances for all revolving funds.

**13. If your Department manages grants:**

**a. Please provide a master list of all executed grants and all grants held up in review, including the reason each is being held.**

Please see responses from the CHPD and HCDD below:

CHPD: See Attachment 1.

HCDD: Two grants were executed as identified below. No grants are held up in review.

- G6799 to Aina Lani Pacific LLC for Kilohana Makai Workforce housing project was executed on January 20, 2026, in the amount of \$978,519.
- G6837 to A0745 Lanai LP for Lanai Affordable Housing project was executed on February 13, 2026, in the amount of \$10,000,000.

- b. For each grant line item not designated for a specific recipient (e.g., Small Business Promotion; Youth Programs), provide a breakdown of the grants that will be funded by the line item.**

Please see Attachment 1 for grants managed under the CHPD.

- c. Provide a breakdown of all grants that will be funded by your Department under Sub-object Code 6317, County grant subsidy.**

Please see responses from the CHPD and HCDD below:

CHPD: See Attachment 1.

HCDD: See response to 13.a. above.

- 14. What are your top three Department priorities for FY 2027? How does your Department's budget reflect those priorities?**

The Department's top priorities include:

- a. Implementing Mayor Richard T. Bissen, Jr.'s Kama'aina Housing Initiative.
- b. Keeping local families in Maui County.
- c. Administering housing policy initiatives and streamlining Department processes to achieve efficiencies.

The Department's proposed budget includes increased funding for the rental assistance program from \$3 million to over \$7.4 million dollars. The rental assistance program supplements rental assistance for residents making 80 percent of the area median income and below.

The Department increased its FY 2027 Affordable Housing Fund appropriation by over \$21 million. Funding will support the development of rental, rent-to-own, and workforce housing units across the County. Funds proposed in the FY 2027 budget will also be used to help entitle County-owned parcels.

The Department is utilizing professional service funds to update and improve internal administrative policies and make key systems changes. This starts with funding to update Administrative Rules, guidelines, and administrative processes.

**15. Did your Department apply for any grant funding in FY 2026? If yes, how much was received?**

The Department did not apply for grant funding for the Section 8, CDBG, HOME, or HTF programs in FY 2026, as these programs are funded through annual formula-based allocations provided by HUD and do not require a competitive application process.

The Section 8 Program funding allocation for the County is based on factors such as prior-year leasing activity, cost data, and renewal funding eligibility.

CDBG, HOME, and HTF allocations are formula-based and consider factors such as population, poverty levels, housing conditions, and growth trends.

For FY 2026, the Department applied for and was awarded Congressionally Directed Spending (CDS) funds totaling \$1.45 million, consisting of \$250,000 for the Maluaka Affordable Rental Housing Project and \$1.25 million for the Lanai Affordable Housing Project.

**16. How much has your Department spent on Professional Services in FY 2026? What projects and consultants were funded under this line item?**

Please see responses below:

- Xerox Professional Services: \$9,795
- Hale Mahaolu Property Management: \$8,7000
- Maui Office LLC: \$7,364.72
- Title Guaranty: \$131
- Access Shredding: \$5,041

The Department is currently working on procuring the following professional services:

- Legal services to update Department Administrative Rules and guidelines
- Research consulting to develop a workforce housing credit tracker

**17. How much of your Department's expenditures in FY 2026 will be reimbursed by the Federal Emergency Management Agency for the August 2023 Maui Wildfires? What amount of FY 2027 expenditures are expected to be reimbursed?**

The Department does not anticipate any expenditures in FY 2026 or FY 2027 that would be eligible for reimbursement by the Federal Emergency Management Agency. The Department is using insurance proceeds to assist with predevelopment costs for the Komohana Hale Apartments rebuild. The Department would expect reimbursement expenditures when the Komohana Hale Apartments rebuild breaks ground.

**18. If your Department is receiving Federal grants, including pass-through grants:**

**a. Provide the amount your Department is receiving for routine operations.**

The Department is currently receiving the following federal grants from HUD:

- |                       |              |
|-----------------------|--------------|
| • Section 8 Program:  | \$32,690,202 |
| • CDBG Program:       | \$1,889,272  |
| • HOME Program:       | \$2,850,000  |
| • HOME – ARP Program: | \$1,977,568  |
| • HTF Program:        | \$1,425,000  |
| • CDS Program:        | \$1,450,000  |

**b. Provide the amount your Department is receiving for August 2023 Maui Wildfires disaster recovery.**

The Department is not currently receiving any grant funding related to the August 2023 Maui Wildfires. The Department was conditionally awarded \$16 million in CDBG - Disaster Recovery funds from the Office of Recovery. The Department

also expects to receive public assistance from the Federal Emergency Management Agency (FEMA).

- c. Explain any factors that could jeopardize the receipt of Federal grants, including changes in Federal policies, compliance requirements, or expiration dates.**

The Department will need to ensure compliance with all applicable federal, state, and County regulations, as failure to do so could jeopardize the receipt of federal funding. This includes maintaining timely expenditures, meeting program and reporting requirements, and adhering to all applicable administrative and financial standards.

The Department will continue to monitor regulatory guidance to ensure ongoing compliance and maintain eligibility for federal grant funding.

- d. Explain whether any Federal grants your Department has received or anticipates receiving have been reduced, suspended, terminated, or otherwise cut by the awarding agency.**

- i. For each affected grant, provide the amount affected, the effective date, the stated reason, and the impact on your Department.**

In FY 2026, the Department received approximately 50 percent of the annual HTF allocation (approximately \$1,425,000), as the City and County of Honolulu (CCH) elected to accept its share of the award. In prior funding cycles, CCH did not accept its share of HTF, and the funding was passed on to Maui County.

This variation is not the result of a reduction by the awarding agency but is attributable to the allocation structure of the HTF program and participation by other jurisdictions. As such, there is no direct impact to the Department's existing operations; however, fluctuations in funding levels may affect the scale and timing of future affordable housing activities supported by HTF funds.

- e. Explain how your Department will adjust if it does not receive the anticipated Federal grant funding.**

The Department administers a significant amount of federal funding across multiple programs. If anticipated federal funding for the Section 8 Program were unavailable, the Administration and Council would need to determine whether, and to what extent, County funds could be used to support the program.

The Department would also assess program operations and make necessary adjustments to align with available resources, which may include limiting new commitments and prioritizing existing obligations and critical housing needs.

- 19. If your Department received funding to repair or replace equipment, locations, and structures destroyed in the wildfires, provide the current status for each. If there are items still pending repair or replacement, provide the estimated cost and timeline for the repair or replacement.**

The Department is seeking public assistance funds from FEMA to rebuild Komohana Hale Apartments.

As of February 18, 2026, FEMA has obligated \$4,143,156.39 to Komohana Hale Apartments rebuild and \$6,895,503.74 to Lahaina Crossroads. However, the Department is in the process of negotiating a larger award amount for the loss of Komohana Hale Apartments and Lahaina Crossroads with FEMA due to cost-escalating factors.

An estimated cost to rebuild has been completed which estimates the Komohana Hale rebuild at \$24,355,000 and the Lahaina Crossroads rebuild at \$13,152,000. A CDBG-DR application was completed in January 2026 with a conditional award of \$16 million being issued in March 2026.

- 20. If your Department is managing a Council-initiated condition or appropriation in FY 2026, explain any challenges your Department faced in implementing the condition or appropriation and what information would have assisted you.**

The Department is in the process of setting up the Voluntary Deed Restriction Program, which was appropriated \$500,000 in FY 2026. During the Council meeting on April 2, 2026, the Department expressed its support of Bill 65 (2026), which if passed will allow the Department to implement the program more effectively. The Department is also asking that the Council support the

reauthorization of the \$500,000 appropriated in FY 2026 for FY 2027.

Should you have any questions, please contact me or the Department at (808) 270-7110 or email me at [director.housing@co.maui.hi.us](mailto:director.housing@co.maui.hi.us).

Sincerely,

*Richard E. Mitchell*

RICHARD E. MITCHELL, ESQ.  
Director of Housing

Attachment (1)

Cc: Lesley Milner, Budget Director  
Saumalu Mata'afa, Deputy Director of Housing  
Cassi Yamashita, County Housing Programs Division Administrator  
Gail Rumbaoa, Federal Housing Programs Division Administrator  
Alicia Mazingo, Housing and Community Development Division Administrator

**Department Grants: FY2026**

**13. If your Department manages grants:**

**a. Please provide a master list of all executed grants and all grants held up in review, including the reason each is being held.**

	<b>Executed</b>	<b>In Draft/ Review</b>	<b>In Route for Execution</b>	<b>Notes</b>
Hale O Piikea I	X			
Hale O Piikea II	X			
Hale O Piikea III	X			
PARUS			X	
Kehalani Affordable Apartments Project		X		Edits to draft requested by Grantee
Kaiaulu O Lana'i Project		X		Edits to draft requested by Grantee
Emergency Shelter Bldg Rehab-KHAKO	X			
Kaiahale 'o Kahiluhilu (Phase 1)		X		Edits to draft requested by Grantee
Kaiahale 'o Kahiluhilu (Phase 2)		X		Edits to draft requested by Grantee
Arc of Maui	X			
Kaiaulu O Napili			X	
Kilohana Makai-Water Use Development Fees	X			Complete- No agreement required. Internal demand payment processed.
Fairways at Maui Lani			X	
Mokuhau Subdivision-Buy Back			X	Currently with Finance and Corp. Counsel pending property closing date.
Lipoa Apartments			X	
Kukulu Hale Acquisition	X			

**b. For each grant line item not designated for a specific recipient (e.g., Small Business Promotion; Youth Programs), provide a breakdown of the grants that will be funded by the line item.**

The Department's grant line item subsidy for rental assistance is broken down below:

- Family Life Center- Rental Assistance Program-\$810,000
- Ka Hale A Ke Ola- Rental Assistance Program-\$446,400
- Maui Economic Opportunity, Inc.- Rental Assistance Program-\$1,350,000
- Women Helping Women- Rental Assistance Program-\$336,000
- Women's Reintegration Program- \$348,000

**c. Provide a breakdown of all grants that will be funded by your Department under Sub-object Code 6317, County grant subsidy.**

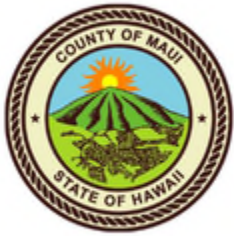
- Homeowners Program-\$3,000,000
  - Ohana Assistance Program- \$2,000,000
  - First-Time Homebuyers Program- \$1,000,000

## BFED Committee

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**From:** Lesley J. Milner <Lesley.J.Milner@co.maui.hi.us>  
**Sent:** Thursday, April 2, 2026 5:13 PM  
**To:** BFED Committee  
**Cc:** Janina E. Agapay; Richard E. Mitchell; Saumalu Mataafa; Amanda M. Martin  
**Subject:** (BFED-1)(HO-01)  
**Attachments:** (BFED-1)(HO-01).pdf

Aloha,  
Please see attached correspondence. Thank you.  
-Lesley



Lesley J.C. Milner

Budget Director

Office of the Mayor

808-270-8239

Lesley.j.milner@co.maui.hi.us