

**COUNCIL OF THE COUNTY OF MAUI**  
**SPECIAL COMMITTEE ON REAL**  
**PROPERTY TAX REFORM**

December 5, 2025

**Committee**  
**Report No.** \_\_\_\_\_

Honorable Chair and Members  
of the County Council  
County of Maui  
Wailuku, Maui, Hawaii

Chair and Members:

Your Special Committee on Real Property Tax Reform, having met on November 13, 2025, makes reference to Bill 169 (2025), entitled “A BILL FOR AN ORDINANCE TO ESTABLISH VALUATIONS FOR ATTAINABLE HOUSING SHARED-EQUITY DEED-RESTRICTED REAL PROPERTY ADMINISTERED BY A QUALIFIED ENTITY.”

Bill 169’s purposes are to preserve attainable housing by: 1) allowing the Director of Finance to consider shared-equity deed restrictions when assessing real property; and 2) setting clear standards to ensure similar properties receive fair treatment.

Your Committee notes that “shared-equity deed-restricted real property” means an owner-occupied home that is subject to a recorded deed restriction that preserves long-term affordability by capping the resale price under a preset formula and limiting the owner’s share of appreciation on resale.

A representative from the Department of Finance said the Department, in determining a property’s taxable value, considers the resale-restricted price rather than full market value so that assessments reflect the owner’s restricted equity interest.

Your Committee notes that similar shared-equity deed-restricted homes have been developed through programs administered by Na Hale O Maui Community Land Trust, Lahaina Community Land Trust, and Habitat for Humanity Maui. These homes have the same resale price limits and shared-equity terms as County programs, but the Maui County Code

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does not specify a property valuation rule when a qualified nonprofit, rather than the County, enforces resale restrictions.

Your Committee further notes that Bill 169 would extend this valuation process to qualified nonprofit community land trusts or other attainable or affordable housing enterprises that maintain an inventory of resale-restricted homes through a public application process.

Your Committee finds that Bill 169 would support affordable housing by:

- Taxing shared-equity homeowners based on their restricted equity interest instead of full market value.
- Aligning the treatment of shared-equity programs that the County administers and those that qualified entities administer.
- Giving the Department of Finance clear rules for valuing these properties.

Your Committee voted 4-0 to recommend passage of Bill 169 (2025), on first reading. Committee Chair Lee, Vice-Chair Rawlins-Fernandez, and members Johnson and Sugimura voted “aye.”

Your Committee is in receipt of Bill 169, CD1 (2025), approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

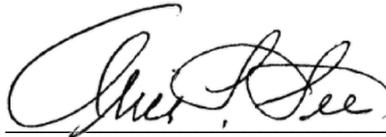
Your Special Committee on Real Property Tax Reform RECOMMENDS that Bill 169, CD1 (2025), attached, entitled “A BILL FOR AN ORDINANCE TO ESTABLISH VALUATIONS FOR SHARED-EQUITY DEED AND GROUND LEASE RESTRICTED REAL PROPERTY ADMINISTERED BY A QUALIFIED ENTITY,” be PASSED ON FIRST READING and be ORDERED TO PRINT.

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This report is submitted in accordance with Rule 3 of the Rules of the Council.



ALICE L. LEE, Chair

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ORDINANCE NO. \_\_\_\_\_

BILL NO. **169, CD1** (2025)

A BILL FOR AN ORDINANCE TO ESTABLISH VALUATIONS FOR  
SHARED-EQUITY DEED AND GROUND LEASE RESTRICTED  
REAL PROPERTY ADMINISTERED BY A QUALIFIED ENTITY

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

SECTION 1. The Council finds that attainable housing shared-equity programs administered by community land trusts and other qualified affordable housing enterprises are similar to affordable and workforce housing programs administered by government. The shared-equity deed and ground lease restrictions do not permit resale at market rates in excess of sale price limits. This Ordinance's purpose is to provide a mechanism to recognize these shared-equity deed and ground lease restrictions when assessing real property. This Ordinance provides for criteria that will allow similarly situated properties to be treated fairly under clear, enforceable standards.

SECTION 2. Chapter 3.48, Maui County Code, is amended by adding a new section in Article VII, "Valuations," to read as follows:

**"3.48.362 Real property used for housing with shared-equity deed or ground lease restrictions. A. For purposes of this section, a "qualified entity" must:**

1. Be a community land trust or affordable housing enterprise as determined by the director.
2. Be a nonprofit organization.
3. Have at least three board members.
4. Maintain an inventory of at least three resale-restricted homes.

5. Administer the inventory of homes through a public application process.

B. A qualified entity may petition the director for a valuation which considers the resale-restricted price contained within a shared-equity deed or ground lease restriction for housing if:

1. The resale-restricted price for the real property does not exceed the median sales price of real property in the neighborhood for the current year.

2. The real property is owner-occupied.

3. The owner maintains the real property home exemption under section 3.48.450 or 3.48.475.

4. The qualified entity is offered a right of first refusal or opportunity in the event of resale.

C. In determining the value, the director must consider the resale-restricted price defined in the shared-equity deed or ground lease restrictions.

D. The petition must be filed with the director by December 31 of the calendar year prior to the January 1 effective date of the assessment."

SECTION 3. Section 3.48.290, Maui County Code, is amended to read as

follows:

**"3.48.290 Considerations by director.** The director must cause the fair market value of all taxable real property to be determined and annually assessed by the market data and cost approaches to value using appropriate systematic methods suitable for mass valuation of properties for taxation purposes, so selected and applied to obtain, [as far as] to the extent possible, uniform and equalized assessments throughout the County, except as follows:

A. For real property tax purposes, the value of land classified and used for agriculture, whether [such] the lands are dedicated in accordance with section 3.48.350 or not, is the value of the land for agricultural use without regard to any value the land might have for other purposes or uses, or to neighboring land uses, and determined as provided in section 3.48.320.

B. For real property tax purposes, the value of land leased under section 207 of the Hawaiian Homes Commission Act, 1920, is \$0.

C. For real property tax purposes, real property subject to shared-equity deed or ground lease restrictions administered by a qualified entity under section 3.48.362 will be valued in the same way as government-administered shared-equity deed restrictions."

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:



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Kristie M. Wrigglesworth  
Department of the Corporation Counsel  
County of Maui  
2025-11-21 RPTR-15 Bill 169

INTRODUCED BY:

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KEANI N. W. RAWLINS-FERNANDEZ