January 21, 2020

MEMO TO: GET - 10(3)

F R O M: Michael J. Molina, Chair

Governance, Ethics and Transparency Committee

SUBJECT: TRANSMITTAL OF LEGISLATIVE PROPOSAL RELATING TO

PROPOSED CHARTER AMENDMENTS (AFFORDABLE HOUSING

FUND) (GET 10(3))

The attached legislative proposal pertains to Item GET – 10(3) on the Committee's agenda.

Attachment

cc:

Resolution

No.	

PROPOSING AN AMENDMENT TO SECTION 9-20 OF THE REVISED CHARTER OF THE COUNTY OF MAUI (1983), AS AMENDED, RELATING TO THE AFFORDABLE HOUSING FUND

WHEREAS, Section 9-20(1) of the Revised Charter of the County of Maui (1983), as amended ("Charter"), requires the Council to appropriate a minimum of two percent of the certified real property tax revenues to the affordable housing fund in adopting fiscal years 2008 through 2021 annual operating budgets and capital programs; and

WHEREAS, an amendment to Section 9-20(1) is necessary to preserve the mandated minimum appropriation to the affordable housing fund beyond fiscal year 2021, which ends on June 30, 2021; and

WHEREAS, the need for affordable housing in the County is critical, and an amendment to increase the required minimum percentage of certified real property tax revenues annually appropriated to the affordable housing fund from two percent to three percent is both prudent and necessary; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

- 1. That, pursuant to Section 14-1(1), Revised Charter of the County of Maui (1983), as amended ("Charter"), it proposes that Section 9-20 of the Charter, pertaining to the Affordable Housing Fund, be amended by amending subsection (1) to read as follows:
 - "1. In adopting fiscal years [2008 through [2021] 2031] annual operating budgets and capital programs, the council shall appropriate a minimum of [two percent (2%)] 3 percent of the certified real property tax revenues to a fund known as the affordable housing fund. In any fiscal year, the council may make appropriations to the fund in addition to the minimum required appropriations. The revenues and unencumbered balance in this fund shall be utilized for the provision, protection, and expansion of

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affordable housing and suitable living environments for persons [of very low to gap income] from very low income, up to but not exceeding persons of 100 percent median income, as defined by ordinance, including the rehabilitation of existing structures, land purchase or other acquisition of land or property entitlements, planning, design, and construction."; and

- 2. That material to be repealed is bracketed and new material is underscored; and
- 3. That, pursuant to Section 14-2(1) of the Charter, this resolution be submitted to the voters of the County of Maui at the next general election; and
- 4. That the County Clerk prepare the necessary ballot for presentation to the voters at the next general election; and
- 5. That, pursuant to Section 14-1(1) of the Charter, it proposes that the following question be placed on the next general election ballot:

"Shall the Charter be amended to [extend through fiscal year 2031 the requirement] *require* that a minimum percentage of the certified real property tax revenues be appropriated into an affordable housing fund to be used for the provision, protection, and expansion of affordable housing and suitable living environments for persons [of very low to gap income] *from very low income*, *up to but not exceeding persons of 100 percent median income*; and to increase the minimum required percentage from 2 percent to 3 percent of the certified real property tax revenues, effective July 1, 2021?"; and

- 6. That, pursuant to Section 14-2(2) of the Charter, the County Clerk shall publish the proposed amendment as set forth in this resolution in its entirety in a newspaper of general circulation; and
- 7. That, upon approval by the majority of the voters voting on the proposed amendment, the amendment proposed herein shall take effect as of July 1, 2021; and

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8. That certified copies of this resolution be transmitted to the Mayor, the Director of Finance, the Director of Housing and Human Concerns, and the Corporation Counsel.

APPROVED AS TO FORM AND LEGALITY

Department of the Corporation Counsel County of Maui