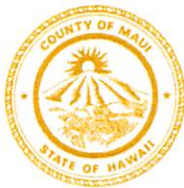


Michael P. Victorino
Mayor

Sananda K. Baz
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov



REFERENCE NO. BD-BA 21-37

December 11, 2020

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

For Transmittal to:

Michael P. Victorino 12/11/20
Mayor Date

Honorable Alice Lee, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee and Members:

**SUBJECT: AMENDMENT TO APPENDIX A, PART II: SPECIAL
PURPOSE REVENUES - SCHEDULE OF
REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR
2021 (AFFORDABLE HOUSING FUND KAHOMA
RESIDENTIAL SUBDIVISION)**

On behalf of the Department of Housing and Human Concerns, I am transmitting the following:

- 1 A proposed resolution entitled "APPROVING THE ACQUISITION OF REAL PROPERTY AT THE KAHOMA RESIDENTIAL SUBDIVISION, LAHAINA, MAUI, HAWAII, IDENTIFIED AS TAX MAP KEY NUMBER (2)4-5-037-013 PURSUANT TO THE BUYBACK PROVISIONS CONTAINED IN THE AGREEMENT REGARDING RESIDENTIAL WORKFORCE HOUSING REQUIREMENTS (244 KOMO MAI STREET, LOT 50)."

The purpose of the proposed resolution is to approve the acquisition of real property located at 244 Komo Mai Street, Lahaina, Hawaii. The County's purchase price for the real property, using the formula set forth in Section 5(e) of the Agreement, is \$697,257.83.

COUNTY COMMUNICATION NO. 20-609

- 2 A proposed resolution entitled "AUTHORIZING THE GRANT OF THE REAL PROPERTY LOCATED AT 244 KOMO MAI STREET, LAHAINA, MAUI, HAWAII, TO HOUSING AND LAND ENTERPRISE OF MAUI DBA NA HALE O MAUI.

The purpose of the proposed resolution is to authorize the grant fee simple interest of the real property located at 244 Komo Mai Street, Lahaina, HI to Na Hale O Maui.

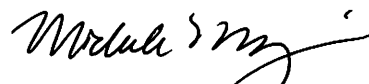
- 3 A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING APPENDIX A OF THE FISCAL YEAR 2021 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES- SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2021, AFFORDABLE HOUSING FUND (KAHOMA RESIDENTIAL SUBDIVISION))."

The purpose of the proposed bill is to amend Appendix A, Part II of the Fiscal Year 2021 Budget by adding a proviso under the Affordable Housing Fund for \$707,258, including related costs, for the acquisition of the Kahoma Residential Subdivision property located at 244 Komo Mai Street.

The homeowners have notified the County of their intent to sell their workforce housing unit. Pursuant to Chapter 2.96, Maui County Code, the Department of Housing and Human Concerns, on behalf of the County of Maui, would like to exercise its buyback option of the property. The County has until January 20, 2021 to complete the purchase.

I respectfully request this matter be expedited for review and action. Thank you for your immediate attention in this matter. Should you have any questions, please contact me at ext. 7212.

Sincerely,



MICHELE M. YOSHIMURA
Budget Director

Attachments

cc: LoriAnn Tshako, Department of Housing and Human Concerns

Resolution

No. _____

APPROVING THE ACQUISITION OF REAL PROPERTY AT THE KAHOMA RESIDENTIAL SUBDIVISION, LAHAINA, MAUI, HAWAII, IDENTIFIED AS TAX MAP KEY NUMBER (2)4-5-037-013 PURSUANT TO THE BUYBACK PROVISIONS CONTAINED IN THE AGREEMENT REGARDING RESIDENTIAL WORKFORCE HOUSING REQUIREMENTS
(244 KOMO MAI STREET, LOT 50)

WHEREAS, the Council of the County of Maui, through Resolution 11-126, a copy of which is attached hereto as Exhibit A”, approved with modifications the Kahoma Residential Subdivision project; and

WHEREAS, Resolution 11-126 and the Agreement Regarding Residential Workforce Housing Requirements (“Agreement”) dated October 15, 2015, as amended on April 15, 2016, a copy of which is attached hereto as Exhibit “B”, requires that for a period of ten years after purchase, if the purchaser desires to sell the property, the County shall have the first option to purchase the property; and

WHEREAS, the owner of the real property identified as Tax Map Key Number (2)4-5-037-013, located at 244 Komo Mai Street, Lahaina, Maui, Hawaii 96761, desires to sell the property; and

WHEREAS, Section 5(e) of the Agreement, sets the formula used to calculate the County’s purchase price; and

WHEREAS, the County’s purchase price for the real property is SIX HUNDRED NINETY-SEVEN THOUSAND TWO HUNDRED FIFTY-SEVEN AND

Resolution No. _____

83/100 DOLLARS (\$697,257.83), according to the repurchase price computation attached hereto as Exhibit "C"; and

WHEREAS, pursuant to the Agreement, as amended, the County has ninety (90) days within which to close the purchase of the unit after the date upon which it provides notice to the owner of its intent to purchase the unit; and

WHEREAS, the County received notice from the owner on September 15, 2020 of his intent to sell, and the County notified the owner by letter dated October 22, 2020 of its intention to exercise its option to purchase the unit from the owner; therefore the County has until January 20, 2021, to complete the purchase; and

WHEREAS, the Director of Finance did not obtain an appraisal for this acquisition as there was no negotiation in price, as purchase price was set by the terms of the Agreement; and

WHEREAS, Chapter 3.44, Maui County Code, requires Council authorization for any purchase of real property where the purchase price exceeds TWO HUNDRED AND FIFTY THOUSAND DOLLARS (\$250,000); now, therefore,

BE IT RESOLVED by the County of Maui:

1. That it finds this acquisition of real property is in the public interest.
2. That it authorizes the acquisition of the real property identified as Tax Map Key Number (2)3-5-037-013 for SIX HUNDRED NINETY SEVEN

Resolution No. _____

THOUSAND TWO HUNDRED FIFTY SEVEN AND 83/100 (\$697,257.83) along with any applicable closing costs.

3. That it hereby authorizes the Mayor or the Mayor's duly authorized representative, to execute all necessary documents to effectuate the intent of this Resolution; and

4. That certified copies of this Resolution be transmitted to the Mayor and the Director of the Department of Housing and Human Concerns.

APPROVED AS TO FORM
AND LEGALITY:

/s/ Mimi Desjardins
MIMI DESJARDINS
Deputy Corporation Counsel
County of Maui
2020-1864
2020-12-02 Resolution

Resolution

No. 11-126

APPROVING WITH MODIFICATION THE KAHOMA RESIDENTIAL
SUBDIVISION PURSUANT TO SECTION 201H-38,
HAWAII REVISED STATUTES

WHEREAS, West Maui Land Company, Inc., a Hawaii corporation, proposes the development of the Kahoma Residential Subdivision and related improvements (the "Project") for qualified residents; and

WHEREAS, the proposed Project will provide a total of sixty-eight (68) single family, affordable housing units to families earning less than one hundred sixty percent (160%) of Maui County's median family income as defined in Section 2.96.020, Maui County Code. Specifically, ten (10) units will be sold to those earning less than eighty percent (80%) of Maui County's median family income, eight (8) units will be sold to those earning less than one hundred percent (100%) of Maui County's median family income, seventeen (17) units will be sold to those earning less than one hundred twenty percent (120%) of Maui County's median family income, ten (10) units will be sold to those earning less than one hundred forty percent (140%) of Maui County's median family income, twenty-three (23) units will be sold to those earning less than one hundred sixty percent (160%) of Maui County's median family income. Vacant lots will be sold at fifty percent (50%) of the price of a three bedroom home within the median income range; and

WHEREAS, the proposed Project will provide ten (10) lots to Habitat for Humanity, Maui, Inc. at below market price as follows: four (4) lots at approximately \$60,000 per lot and six (6) lots at approximately \$120,000 per lot; and

WHEREAS, the Project will provide needed affordable housing to meet the current and growing demand for affordable housing; and

WHEREAS, on October 24, 2011, the Department of Housing and Human Concerns submitted the preliminary plans and specifications to the Council of the County of Maui ("Council") recommending approval of the Project pursuant to Section 201H-38, Hawaii Revised Statutes (HRS); and

EXHIBIT "A"

Resolution No. 11-126

WHEREAS, pursuant to Section 201H-38, HRS, the Council shall approve, approve with modification, or disapprove the Project by resolution within forty-five (45) days after the Department of Housing and Human Concerns has submitted the preliminary plans and specifications for the Project to the Council, which submittal occurred on October 24, 2011; and

WHEREAS, the units within this Project will be marketed and sold according to the provisions of a housing agreement executed between the County of Maui, Department of Housing and Human Concerns, and West Maui Land Company, Inc.; and

WHEREAS, pursuant to Section 4-1 of the Revised Charter of the County of Maui (1983), as amended, the Council is authorized to act by resolution; now, therefore,

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

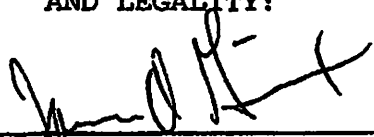
1. That, based upon the transmittals and the representations of the Department of Housing and Human Concerns and West Maui Land Company, Inc., the Council approves the Project with the modifications specified in Exhibit "1", including the Project's preliminary plans and specifications, as submitted to the Council on October 24, 2011, pursuant to Section 201H-38, HRS; provided that West Maui Land Company, Inc. shall comply with all statutes, ordinances, charter provisions, and rules of governmental agencies relating to planning, zoning and construction standards for subdivisions, development and improvement of land, and the construction of units thereon, except for the exemptions specified in Exhibit "2", attached hereto and made a part hereof; and

2. That the final plans and specifications for the Project shall be deemed approved by the Council if the final plans and specifications do not substantially deviate, as determined by the Director of Housing and Human Concerns, from the preliminary plans and specifications submitted to the Council. Any substantial deviation from the preliminary plans and specifications shall be submitted to the Council for prior approval. The final plans and specifications shall constitute the zoning, building, construction, and subdivision standards for the Project; and

Resolution No. 11-126

3. That certified copies of this resolution be transmitted to the Director of Public Works, the Planning Director, the Director of Housing and Human Concerns, and West Maui Land Company, Inc.

APPROVED AS TO FORM
AND LEGALITY:



JAMES A. GIROUX
Deputy Corporation Counsel
County of Maui

S:\ALL\JAG\Reso\201H\Kahoma Residential Subdivision\KahomaModification.wpd

MODIFICATIONS

1. That West Maui Land Company, Inc. shall be awarded ten (10) affordable housing credits subject to the following restrictions:
 - a. The credits must be used in the West Maui Community Plan area.
 - b. The credits may be applied toward a single-family or multi-family unit.
 - c. The credits must be used for those households whose gross annual family income is more than eighty percent, but not more than one hundred percent, of the area median income as established by the United States Department of Housing and Urban Development.
 - d. The credits shall be given for a future development only after timely initiation and completion of subdivision improvements.
 - e. The credits shall be used by West Maui Land Company, Inc. or its affiliates, and shall not be sold or transferred.
2. That the initial marketing period for the homes or lots shall be a minimum of ten years at the sales prices established in the second paragraph of this resolution. The affordable-marketing period shall commence on the date of final subdivision approval.
3. That for any unit sold initially at market rates, the Director of Housing and Human Concerns shall assess that unit's pro-rata portion of the total value of the exemptions listed in Exhibit "2". For purposes of this modification, "market rates" shall mean sales prices established for those households whose gross annual family income is more than one hundred sixty percent of the area median income as established by the United States Department of Housing and Urban Development as determined for 2011 or at the date of sale, whichever is lower. Any portion of pro-rata fees collected for an exemption from park dedication and assessment requirements shall be paid to the Department of Parks and Recreation. All other pro-rata fees collected shall be placed in the affordable housing fund.
4. That subdivision improvements, as defined in Section 18.04.210, Maui County Code, shall begin within three years and be completed within seven years of the adoption of this resolution. A time extension to the subdivision improvement initiation date may be considered by the Council upon timely receipt of a request for time extension at least 90 days prior to the expiration of the initial subdivision improvement start

EXHIBIT " 1 "

date. If West Maui Land Company, Inc. is unable to comply with the deadlines established by this modification, or if a time extension is requested, West Maui Land Company, Inc. shall forfeit the ten affordable housing credits.

5. That West Maui Land Company, Inc. shall pay the Department of Education the appropriate school impact fee for each of the market-rate units in the Kahoma Residential Subdivision. Such fees shall benefit the West Maui District.
6. That all dwelling units shall be built and physically occupied within 36 months of the close of escrow for the respective lot. All ten Habitat for Humanity lots shall be exempt from this modification.
7. If the Lahaina Wastewater Reclamation Facility (LWWRF) does not have the capacity or cannot be expanded to service the Kahoma Residential Subdivision, West Maui Land Company, Inc. shall pay a fair-share contribution, as determined by the County, to fund improvements at the LWWRF necessary to accommodate the additional flow, and construct wastewater transmission facilities leading to the LWWRF. The fair-share contribution shall be paid prior to the issuance of the first building permit requiring a connection to the LWWRF for the Kahoma Residential Subdivision.
8. During the construction phase, West Maui Land Company, Inc., or its agent, shall ensure that vehicles under their control with a gross vehicle weight rating of 10,000 pounds or higher shall not travel along Kalena Street or Lui Street.

Proposed Section 201H-38, HRS, Exemptions

- A. Exemption from Title 2, MCC, Administration and Personnel**
 - 1. An exemption from Chapter 2.80B, MCC, General Plan and Community Plans, shall be granted to permit the project to proceed without obtaining a community plan amendment.
- B. Exemption from Title 12, MCC, Streets, Sidewalks, and Public Places**
 - 1. An exemption from Chapter 12.08, MCC, Driveways, shall be granted to exempt the project from payment of driveway permit and inspection fees.
- C. Exemption from Title 14, MCC, Public Services**
 - 1. An exemption from Section 14.62.070, MCC, West Maui Traffic Impact Fees, shall be granted to exempt the project from payment of traffic impact fees.
- D. Exemptions from Title 16, MCC, Buildings and Construction**
 - 1. Exemptions from MCC Chapters 16.04B, Fire Code, 16.18B, Electrical Code, 16.20A, Plumbing Code, and 16.26, Building Code, shall be granted to exempt the project from payment of fire, electrical, plumbing, and building permit fees, as well as inspection fees.
- E. Exemptions from Title 18 MCC, Subdivisions**
 - 1. Exemptions from Section 18.04.030, MCC, Administration, and Section 18.16.020, MCC, Compliance, shall be granted to exempt the project from obtaining a community plan amendment and change in zoning.
 - 2. Exemptions from Section 18.16.320, MCC, Parks and Playgrounds, shall be granted to exempt the project from payment of park and playground fees and exempt the project from the provision of a comfort station and parking.
- F. Exemption from Title 19, MCC, Zoning**
 - 1. An exemption from Chapter 19.30A, MCC, Agricultural District, shall be granted to permit the development and use of the parcel for single-family residential purposes. Further, this exemption shall allow the subdivision of the property in the conceptual plat configuration shown in Attachment "A", which may be amended by the Director of Public Works.

The following zoning standards shall apply to the proposed lots:

Minimum lot size: 5,000 square feet
Height: No building shall exceed two (2) stories or thirty (30) feet in height

Lot width: Minimum of 35 feet

SETBACK

Front yard Minimum of 15 feet (Dwelling)
Minimum of 20 feet (Garage)

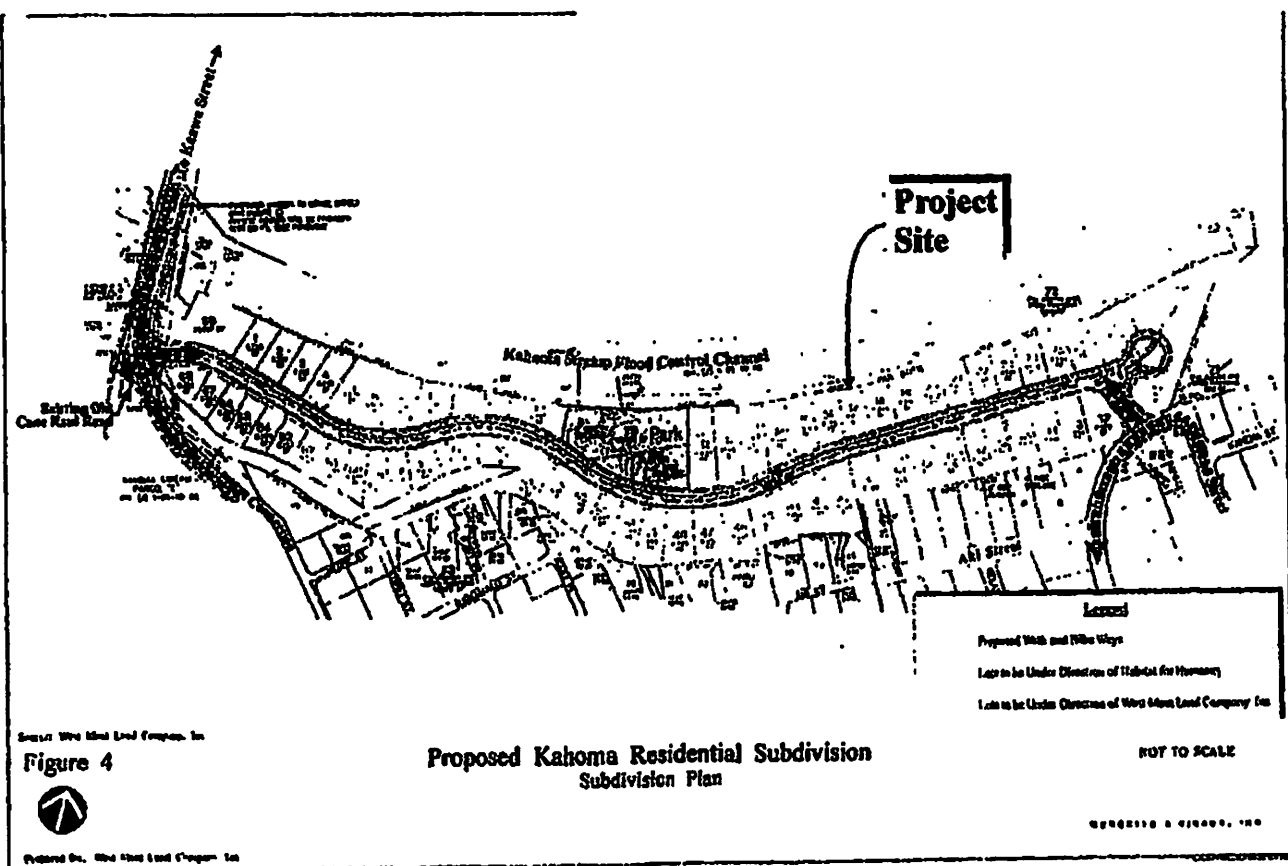
One-story homes Minimum of 8 feet
side and rear

Two-story homes Minimum of 10 feet
side and rear

Rear (Lots 32 Minimum of 20 feet
through 54)

G. Exemption from Title 20, MCC, Environmental Protection

1. An exemption from Section 20.08.090, MCC, Grubbing and Grading Permit Fees, shall be granted to exempt the project from payment of grading, grubbing, and excavation permit fees, as well as inspection fees.



ATTACHMENT "A"


COUNCIL OF THE COUNTY OF MAUI

WAILUKU, HAWAII 96793

CERTIFICATION OF ADOPTION

It is HEREBY CERTIFIED that RESOLUTION NO. 11-126 was adopted by the Council of the County of Maui, State of Hawaii, on the 2nd day of December, 2011, by the following vote:

MEMBERS	Dennie A. MATEO Chair	Joseph PONTANILLA Vice-Chair	Gladys C. BAISA	Robert CARROLL	Eleanora COCHRAN	Donald G. COUCH, JR.	G. Rüd HOKAMA	Michael P. VICTORINO	Michael B. WHITE
ROLL CALL	Aye	Aye	Aye	Aye	No	Aye	No	Aye	Aye



COUNTY CLERK

7/1/11



STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED

October 15, 2015 8:01 AM

Doc No(s) A-57860224



for NICKI ANN THOMPSON
REGISTRAR

1 1/1 OFC
8-32766903

11

LAND COURT SYSTEM

REGULAR SYSTEM

Return by Mail (☒) Pickup () To:

MANCINI, WELCH & GEIGER LLP (SM)
305 E. WAKEA AVENUE, STE. 200
KAHULUI, HAWAII 96732

TITLE GUARANTY OF HAWAII HAS
FILED THIS DOCUMENT FOR RECORD
AS AN ACCOMMODATION ONLY. THIS
DOCUMENT HAS NOT BEEN
REVIEWED OR IN ANY WAY EXAMINED
AS TO ITS EFFECT ON REAL PROPERTY.

TG: 474632L

TITLE OF DOCUMENT:

Total No. of Pages: 32

AGREEMENT REGARDING RESIDENTIAL WORKFORCE HOUSING REQUIREMENTS

PARTIES TO DOCUMENT:

WML: WEST MAUI LAND COMPANY, INC.
305 E. Wakea Avenue, Suite 100
Kahului, Hawaii 96732

COUNTY: COUNTY OF MAUI
200 South High Street
Wailuku, Hawaii 96793

Tax Key: (2) 4-5-010:005

Total No. of Pages: 32

AGREEMENT REGARDING RESIDENTIAL WORKFORCE HOUSING REQUIREMENTS

THIS AGREEMENT REGARDING RESIDENTIAL WORKFORCE HOUSING REQUIREMENTS ("Agreement") is made and entered into as of October 2, 2015, by WEST MAUI LAND COMPANY, INC., a Hawaii corporation, whose address is 305 E. Wakea Avenue, Suite 100, Kahului, Hawaii 96732 ("WML"), and the COUNTY OF MAUI, a political subdivision of the State of Hawaii, whose address is 200 South High Street, Wailuku, Hawaii 96793, through its Department of Housing and Human Concerns ("County").

RECITALS:

A. On December 2, 2011, the Maui County Council adopted Resolution No. 11-126 (the "Resolution") approving the application of Kahoma Residential, LLC and WML for the development of the property identified as Tax Map Key No. (2) 4-5-010:005 (the "Property") pursuant to HRS § 201H-38. A copy of the Resolution is attached as Exhibit "A." A description of the Property is attached as Exhibit "B."

B. On April 5, 2013, WML and Kahoma Residential, LLC received the approval of the State of Hawaii Land Use Commission to change the State land use classification of the property from agricultural to urban with certain conditions, which conditions are contained in Declaration of Conditions recorded as Document No. A-48740743 in the Bureau of Conveyances of the State of Hawaii on May 6, 2013, and as corrected by that Correction of Conditions recorded as Document A-54300494 in the Bureau of Conveyances of the State of Hawaii on November 13, 2014 (collectively the "LUC Conditions").

C. On December 5, 2013, Kahoma Residential, LLC transferred all of its interest in the Property to WML and WML became the sole owner of the Property.

D. WML intends to develop the Property as sixty-eight (68) single-family, residential workforce housing units (the "Project").

E. The Project is exempt from the provisions of MCC Chapter 2.96 because it is a project developed pursuant to HRS Chapter 201H and because it is an affordable housing project with more than the residential workforce housing units required by Maui County Code ("MCC") § 2.96.040.

F. WML is in the process of subdividing the Property under Subdivision File No. 4.981.

G. Based on the Resolution and the LUC Conditions, WML is required to provide sixty-eight (68) affordable housing units to be distributed as follows: (1) ten (10) units for households having a minimum annual income of eighty percent (80%) or less of the area median income established by the U.S. Department of Housing and Urban Development ("HUD"); (2) eight (8) units for households having an annual income of one hundred percent (100%) or less than the area median income established by HUD; (3) seventeen (17) units for households having an annual income of one hundred twenty percent (120%) or less of the area median income as established by HUD; (4) ten (10) units for households having an annual income of one hundred forty percent (140%) or less of the area median income established by HUD; and, (5) twenty-three (23) units for households having an annual income of one hundred sixty percent (160%) or less of the area median income established by HUD.

H. By this Agreement, WML and the County desire to set forth their understanding regarding the Project.

AGREEMENT: In consideration of the Resolution, the above Recitals, and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, WML and the County hereby agree as follows:

1. This Agreement satisfies the requirement of the Resolution that all units within the Project shall be marketed and sold according to the provisions of a housing agreement executed between the County, through its Department of Housing and Human Concerns ("DHHC"), and WML.

2. The Project shall consist of sixty-eight (68) affordable housing units to be developed and sold as vacant lots or as lots developed with single family homes (each such lot or home and lot package being referred to as a "Unit") at prices (called the "Applicable Prices") established by the U.S. Department of Housing and Urban Development (HUD) as affordable to families earning less than the specified percentage of Maui County's Median Family Income (each such percentage being referred to herein as the "Applicable Income Percentage").

The Applicable Income Percentages for Units in the Project shall be as follows:

- (a) Ten (10) units: 80% or less;
- (b) Eight (8) units: 100% or less;
- (c) Seventeen (17) units: 120% or less;
- (d) Ten (10) units: 140% or less; and
- (e) Twenty-three (23) units: 160% or less.

3. WML shall satisfy the requirements of Subsection 2(a) above by selling ten (10) lots to Habitat for Humanity, Maui, Inc. for the following prices: four (4) of said lots for not more than \$60,000.00 per lot; and six (6) of said lots for not more than \$120,000.00 per lot. The sale of such lots to Habitat for Humanity, Maui, Inc. shall be conditioned on Habitat for Humanity, Maui, Inc.'s commitment to develop homes on each of those ten (10) lots and to market and sell each of those Units for Applicable Prices in the 80% (or less) Applicable Income Percentage. If through no fault of WML said sale to Habitat for Humanity, Maui, Inc. shall fail to occur, WML may sell said ten (10) lots to another, comparable organization, approved by the DHHC, on the same terms as the terms for the sale to Habitat for Humanity Maui, Inc., or, alternatively may develop and sell said lots as Units in accordance with Applicable Prices and Applicable Income Percentages stated in Subsection 2(a), above. In either case, as a condition to the sale of the ten (10) lots to Habitat for Humanity, Maui, Inc. or another, comparable organization approved by the DHHC, the buyer of the lots shall be required to enter into a separate agreement with DHHC regarding the development and sale of such lots as the units being sold for the HUD Applicable Income Percentage of eighty percent (80 %) or less of the Maui County area Median Family Income.

WML, if it desires to not develop and resale one or more lots in the Project, may also sell lots to one or more organizations approved by DHHC for development and resale of such lots, provided such organization or organizations comply with the Applicable Income Percentages of Section 2 above, and the marketing and sale requirements of Section 6 below, unless released from compliance with such requirements by DHHC. In addition, as a condition to the sale, the organization or organizations shall be required to enter into separate agreements with the DHHC regarding the development and sale of such lots.

4. The restrictions on Unit sale prices under Subsections 2(b) through 2(e) above shall apply to all Units sold by WML. Additionally, WML shall sell no more than seventeen (17) of the fifty-eight (58) units as a lot only sale.

5. The Deed by which each Unit in the Project is transferred by WML to the initial purchaser, other than to organizations subject to the provisions of Section 3 above, shall include the following covenants:

a) The Unit must be owner-occupied for a period of ten (10) years after the closing of the initial sale of the Unit. If the Unit owner cannot occupy the Unit for the ten (10) year period due to special circumstances including, but not limited to, assignment to active duty military or short-term contracts for off-island employment, the Unit owner may appeal to the DHHC for a waiver of this occupancy deed restriction;

b) The Unit must be appraised before occupancy by the Unit owner using the services of a licensed real estate appraiser, which appraisal must be provided to the DHHC before the Unit owner begins occupying the Unit;

c) The Unit owner must notify the DHHC upon a decision to sell the Unit if made within ten (10) years after the closing of the initial sale of the Unit. At the time the Unit owner notifies the DHHC of the decision to sell, the Unit owner must provide a current appraisal of the Unit to the DHHC.

d) Within one hundred twenty (120) calendar days of DHHC's receipt of Unit owner's written notice of a decision to sell the Unit, the County shall determine whether it will exercise its option to purchase the Unit at Owner's Cost, as calculated in subsection e, below and inform Unit owner of its decision. If County does not exercise its option within this time period, the DHHC shall determine the amount that is equal to twenty-five percent (25 %) of the increase in appraised value of the Unit. The DHHC shall then notify the Unit owner that the maximum sales price the Unit owner may receive for the Unit is the Unit owner's purchase price plus the amount that is equal to the twenty-five percent (25 %) of the increase in appraised value of the Unit;

e) If the County exercises its option to purchase the Unit, the Owner's Cost is determined as the Unit owner's actual cost to purchase the Unit, plus the cost of any capital improvements made by such owner, but not including repairs to

and maintenance of the Unit such as painting, re-roofing and the like, plus simple interest on the Unit owner's cash equity in the Unit calculated at the rate of one percent (1%) per year. The County shall close the purchase from the Unit owner within one hundred twenty (120) days after providing notice of its intent to exercise its option to purchase from the Unit owner. The County's option to purchase the Unit shall not apply to sales by reason of foreclosure;

6. Initial purchasers of Units sold by WML shall be determined in the following manner:

a) Notice of Establishing Qualified Applicant List. WML shall publish in at least five (5) issues of a newspaper of general circulation in Maui County a notice that informs the public that WML is establishing a list of qualified applicants for the Project, that selection of a qualified applicant for purchase shall be by lottery administered by WML and overseen by DHHC, that an applicant must complete a four step qualification program to be included in the list, that a qualified applicant must notify WML in writing of any changes in mailing address, telephone number and/or email address after being placed on the qualified applicant list, that an applicant will be removed from the qualified applicant list if WML is unable to contact the applicant at the mailing address, telephone number and email address provided by applicant, that an applicant must submit an ownership application with documentation supporting eligibility, and that an applicant must meet the following eligibility criteria:

- 1) The applicant must be a citizen of the United States or a permanent resident alien who is a resident of Maui County, Hawaii;
- 2) The applicant must be eighteen years of age or older;
- 3) The applicant must have a gross annual family income, not including the income of minors, which does not exceed one hundred sixty percent (160%) of the Maui County area median income as established by HUD;
- 4) The applicant must have assets that do not exceed one hundred sixty percent (160%) of the Maui County area median income as established by HUD;
- 5) The applicant shall not have had an ownership interest of fifty percent (50%) or more in real property in fee or leasehold in the United States for the three (3) years before submittal of the ownership application;

- 6) The applicant shall attend a WML approved homebuyer seminar;
- 7) The applicant shall attend a HUD approved financial workshop;
- 8) The applicant shall be pre-approved for a loan with the applicant's choice of lender; and,
- 9) The applicant shall meet with WML representatives to review the applicant's ownership application and supporting documentation.

b) Preparation of Qualified Applicant List. WML shall prepare a list of qualified applicants who meet the eligibility criteria and shall update the list as necessary.

c) Sorting of Applicants. WML shall sort the qualified applicants by those who are residents of Maui County and those who are nonresidents of Maui County. A resident of Maui County shall be a person who meets one of the following criteria:

- 1) Is a person who works in the County of Maui;
- 2) Is a retired person who worked in the County of Maui immediately before retirement;
- 3) Is a full time student who resides in the County of Maui;
- 4) Is a disabled person who worked in the County of Maui immediately before becoming disabled;
- 5) Is the parent or guardian of a disable person who resides in the County of Maui;
- 6) Is the spouse of a person meeting the criteria of subsections 6.c.1 to 6.c.5 above; or,
- 7) Is the spouse or dependent of a deceased person who met the criteria of subsections 6.c.1 to 6.c.5 above on the date of death.

WML further shall sort the resident and nonresident applicants by gross annual family income, not including the income of minors, into the following groups:

- 1) Group 1 - Applicants that have a gross annual family income of less than eighty percent (80%) of the area median income established by HUD;
- 2) Group 2 - Applicants that have a gross annual family income of less than one hundred percent (100%) but more than eighty point one percent (80.1%) of the area median income established by HUD;
- 3) Group 3 - Applicants that have a gross annual family income of less than one hundred twenty percent (120%) but more than one hundred point

- one percent (100.1%) of the area median income established by HUD;
- 4) Group 4 - Applicants that have a gross annual family income of less than one hundred forty percent (140%) but more than one hundred twenty point one percent (120.1%) of the area median income established by HUD; and,
 - 5) Group 5 - Applicants that have a gross annual family income of less than one hundred sixty percent (160%) but more than one hundred forty point one percent (140.1%) of the area median income established by HUD.

Finally WML shall sort each of the resident applicant groups by applicants that reside or work in West Maui and applicants that do not reside or work in West Maui. A West Maui Resident shall be a person who resides or works within the Lahaina Judicial District, which also is the area subject to the provisions of the West Maui Community Plan (1996).

d. Selection of Applicants. After WML completes the sorting of the qualified applicants, WML shall select applicants by a lottery of West Maui Residents, residents and finally non-residents in each of Groups 1 through 5. WML shall prepare a list of the qualified applicants in the order selected for each of Groups 1 through 5 listing first the West Maui Residents, then residents and finally nonresidents. WML shall provide the list and applications for those qualified applicants in Group 1 and Group 2 to Habitat for Humanity Maui, Inc. or another, comparable organization approved by DHHC, for sale of the eighteen (18) residential workforce housing units to be sold to those with a gross annual family income in Group 1 and Group 2.

e. Sale of Units. After WML completes the selection of qualified applicants and prepares the lists of qualified applicants for each income group, WML shall send a purchase contract for a Unit to the first person on the income grouping list for which that income grouping list would be eligible to purchase, together with written notice that the selected applicant has a period of thirty (30) days from the date of the purchase contract in which to return to WML the signed purchase contract, an updated pre-approved notice from a lender selected by the applicant confirming the applicant's ability to obtain financing for the purchase, and copies of signed federal and state income tax returns for the most recent year to verify applicant's gross annual family income and place of residence and employment. If the applicant informs WML that he or she is no longer interested in a Unit, or if the applicant does not

return the signed purchase contract and other documents within the thirty (30) day period, WML shall offer the Unit to the next person on the income grouping list using the same procedure until the sale of the Unit closes or there are no further names on the income grouping list which would be eligible to purchase the Unit. If the Unit remains available for sale and there are persons who are on the next highest income grouping list, WML shall follow the same procedure for the next higher income grouping list and continue until the Unit is sold or there are no persons left on any income grouping list. If there are no persons left on any income grouping list and the Unit still is available for sale, WML may offer the Unit for sale to persons whose income exceeds one hundred sixty point one percent (160.1%) of the area median income established by HUD without deed restrictions at the maximum sales price for the Unit contained in the List of Sales Prices attached as Exhibit "C."

7. The Covenants, Conditions and Restrictions for the Project shall allow for the construction of an ohana unit for all lots within the Property which are 7,500 square feet or more in size provided that such construction is permissible under the Maui County Code and the main dwelling on the lot is owner-occupied.

8. WML shall report annually to DHHC beginning one (1) year after the first closing of a Unit in the Project informing DHHC of the number of Units sold by WML at each applicable income percentage. In the event of a sale to an organization under Section 3 above, WML shall report the sale in the next annual report following the closing of the sale.

9. The County confirms that WML, upon the timely initiation and completion of subdivision improvements, shall have ten (10) residential workforce housing project credits which it can use for other subdivisions in West Maui. WML initiated construction of the subdivision improvements before December 2, 2014 and must complete construction of the subdivision improvements before December 2, 2018.

10. The maximum sales price for the Unit shall be as contained in the List of Sale Prices attached as Exhibit "C."

11. In all respects, the parties shall perform and comply with all of the terms and conditions of the Resolution, all of which are hereby incorporated by reference herein, including but not limited to provisions governing affordable housing credits, the value of certain exemptions, Project time

requirements, impact fees and vehicle weights. To the extent that any term or condition of the Resolution conflicts with HRS Chapter 201H, or to the extent that any term of condition of this Agreement conflicts with HRS Chapter 201H, the provisions of HRS Chapter 201H shall control over the terms and conditions of the Resolution or over the terms and conditions of this Agreement.

12. WML indemnifies and agrees to defend and hold harmless County and DHHC from and against all claims, fines, penalties, losses and liabilities, including for any property damage, personal injury or violation of Federal or State laws which may occur, or which may be asserted against County and DHHC with respect to this Agreement, so long as the same shall not have been caused by the actionable negligence or intentional act of County or DHHC.

13. The terms, agreements, covenants and conditions set forth in this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, successors in title, and assigns.

14. In the event of any dispute arising from or relating to this Agreement, the parties shall bear their own costs and expenses resulting therefrom, including attorney's fees and litigation costs.

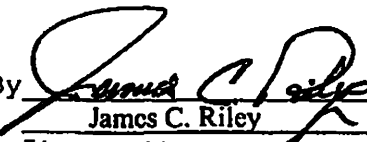
15. This Agreement may be executed in one or more counterparts. It shall be fully executed when each party whose signature is required has signed at least one counterpart even no one counterpart contains the signature of all parties. Each executed counterpart shall be deemed an original, but all of which together shall constitute one and the same agreement.

16. If any term, provision, covenant or condition of this Agreement should be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement shall continue in full force and effect and shall in no way be affected, impaired or invalidated hereby.

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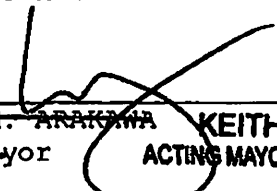
The parties have executed this Agreement as of the date first referenced above.

WEST MAUI LAND COMPANY, INC.


By 
James C. Riley
Its President

"WML"


COUNTY OF MAUI

By 
~~ALAN M. ARAKAWA~~ KEITH A. REGAN
~~Its Mayor~~ ACTING MAYOR, COUNTY OF MAUI
"County"

APPROVAL RECOMMENDED:

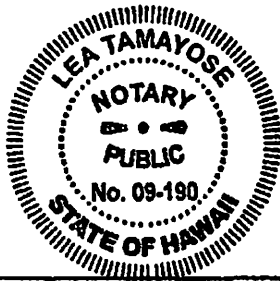

Carol K. Reimann, Director
Department of Housing and
Human Concerns

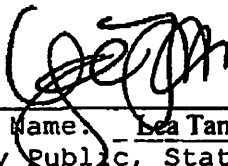
APPROVED AS TO FORM AND
LEGALITY:

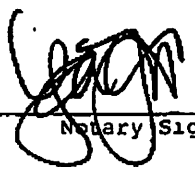

JEFFREY UEOKA
Deputy Corporation Counsel
County of Maui

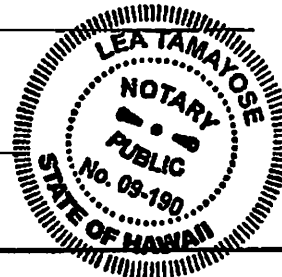
STATE OF HAWAII)
) SS.
COUNTY OF MAUI)

On this 17th day of September, 2015, before me personally appeared James C. Riley, to me personally known, who, being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and if applicable, in the capacities shown, having been duly authorized to execute such instrument in such capacities.




Print Name: Lea Tamayose
Notary Public, State of Hawaii.
My commission expires: 17 May 17

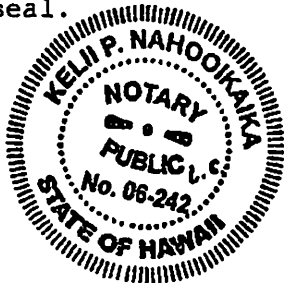
Date of Doc: <u>undated</u>	# Pages: <u>32</u>
Name: <u>Lea Tamayose</u>	Second Circuit
Doc. Description: <u>Agreement Regarding Residential Workforce Housing Requirements</u> <u>TMK (2) 4-5-010:005</u>	
 Notary Signature	
NOTARY CERTIFICATION	



STATE OF HAWAII)
) SS.
COUNTY OF MAUI)

On this 2nd day of October, 2015,
before me appeared ~~ALAN M. ARAKAWA~~^{Keith Regan} to me personally known, who
being by me duly sworn, did say that he is the Mayor of the
County of Maui, a political subdivision of the State of Hawaii,
and that the seal affixed to the foregoing instrument is the
lawful seal of the said County of Maui, and that the said
instrument was signed and sealed on behalf of said County of
Maui by authority of its Charter, and the said ~~ALAN M. ARAKAWA~~^{Keith Regan}
acknowledged the said instrument to be the free act and deed of
said County of Maui.

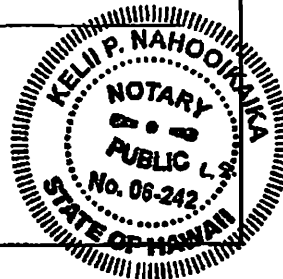
IN WITNESS WHEREOF, I have hereunto set my hand and
official seal.



Keli P. Nahooikaka
Notary Public, State of Hawaii
Print Name: KELI P. NAHOOIKAIKA

My commission expires: 4/30/18

Date of Doc: <u>10-2-15</u>	# Pages: <u>32</u>
Name: <u>KELI P. NAHOOIKAIKA</u>	Second Circuit
Doc. Description: <u>residential workforce housing agreement</u> <u>for Kahana residential subdivision</u>	
<u>Keli P. Nahooikaka</u> Notary Signature	
NOTARY CERTIFICATION	



Resolution

No. 11-126

APPROVING WITH MODIFICATION THE KAHOMA RESIDENTIAL
SUBDIVISION PURSUANT TO SECTION 201H-38,
HAWAII REVISED STATUTES

WHEREAS, West Maui Land Company, Inc., a Hawaii corporation, proposes the development of the Kahoma Residential Subdivision and related improvements (the "Project") for qualified residents; and

WHEREAS, the proposed Project will provide a total of sixty-eight (68) single family, affordable housing units to families earning less than one hundred sixty percent (160%) of Maui County's median family income as defined in Section 2.96.020, Maui County Code. Specifically, ten (10) units will be sold to those earning less than eighty percent (80%) of Maui County's median family income, eight (8) units will be sold to those earning less than one hundred percent (100%) of Maui County's median family income, seventeen (17) units will be sold to those earning less than one hundred twenty percent (120%) of Maui County's median family income, ten (10) units will be sold to those earning less than one hundred forty percent (140%) of Maui County's median family income, twenty-three (23) units will be sold to those earning less than one hundred sixty percent (160%) of Maui County's median family income. Vacant lots will be sold at fifty percent (50%) of the price of a three bedroom home within the median income range; and

WHEREAS, the proposed Project will provide ten (10) lots to Habitat for Humanity, Maui, Inc. at below market price as follows: four (4) lots at approximately \$60,000 per lot and six (6) lots at approximately \$120,000 per lot; and

WHEREAS, the Project will provide needed affordable housing to meet the current and growing demand for affordable housing; and

WHEREAS, on October 24, 2011, the Department of Housing and Human Concerns submitted the preliminary plans and specifications to the Council of the County of Maui ("Council") recommending approval of the Project pursuant to Section 201H-38, Hawaii Revised Statutes (HRS); and

Resolution No. 11-126

WHEREAS, pursuant to Section 201H-38, HRS, the Council shall approve, approve with modification, or disapprove the Project by resolution within forty-five (45) days after the Department of Housing and Human Concerns has submitted the preliminary plans and specifications for the Project to the Council, which submittal occurred on October 24, 2011; and

WHEREAS, the units within this Project will be marketed and sold according to the provisions of a housing agreement executed between the County of Maui, Department of Housing and Human Concerns, and West Maui Land Company, Inc.; and

WHEREAS, pursuant to Section 4-1 of the Revised Charter of the County of Maui (1983), as amended, the Council is authorized to act by resolution; now, therefore,

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


1. That, based upon the transmittals and the representations of the Department of Housing and Human Concerns and West Maui Land Company, Inc., the Council approves the Project with the modifications specified in Exhibit "1", including the Project's preliminary plans and specifications, as submitted to the Council on October 24, 2011, pursuant to Section 201H-38, HRS; provided that West Maui Land Company, Inc. shall comply with all statutes, ordinances, charter provisions, and rules of governmental agencies relating to planning, zoning and construction standards for subdivisions, development and improvement of land, and the construction of units thereon, except for the exemptions specified in Exhibit "2", attached hereto and made a part hereof; and

2. That the final plans and specifications for the Project shall be deemed approved by the Council if the final plans and specifications do not substantially deviate, as determined by the Director of Housing and Human Concerns, from the preliminary plans and specifications submitted to the Council. Any substantial deviation from the preliminary plans and specifications shall be submitted to the Council for prior approval. The final plans and specifications shall constitute the zoning, building, construction, and subdivision standards for the Project; and

Resolution No. 11-126

3. That certified copies of this resolution be transmitted to the Director of Public Works, the Planning Director, the Director of Housing and Human Concerns, and West Maui Land Company, Inc.

APPROVED AS TO FORM
AND LEGALITY:



JAMES A. GIROUX
Deputy Corporation Counsel
County of Maui

S:\ALL\JAG\Reso\201H\Kahoma Residential Subdivision\KahomaModification.wpd

MODIFICATIONS

1. That West Maui Land Company, Inc. shall be awarded ten (10) affordable housing credits subject to the following restrictions:
 - a. The credits must be used in the West Maui Community Plan area.
 - b. The credits may be applied toward a single-family or multi-family unit.
 - c. The credits must be used for those households whose gross annual family income is more than eighty percent, but not more than one hundred percent, of the area median income as established by the United States Department of Housing and Urban Development.
 - d. The credits shall be given for a future development only after timely initiation and completion of subdivision improvements.
 - e. The credits shall be used by West Maui Land Company, Inc. or its affiliates, and shall not be sold or transferred.
2. That the initial marketing period for the homes or lots shall be a minimum of ten years at the sales prices established in the second paragraph of this resolution. The affordable-marketing period shall commence on the date of final subdivision approval.
3. That for any unit sold initially at market rates, the Director of Housing and Human Concerns shall assess that unit's pro-rata portion of the total value of the exemptions listed in Exhibit "2". For purposes of this modification, "market rates" shall mean sales prices established for those households whose gross annual family income is more than one hundred sixty percent of the area median income as established by the United States Department of Housing and Urban Development as determined for 2011 or at the date of sale, whichever is lower. Any portion of pro-rata fees collected for an exemption from park dedication and assessment requirements shall be paid to the Department of Parks and Recreation. All other pro-rata fees collected shall be placed in the affordable housing fund.
4. That subdivision improvements, as defined in Section 18.04.210, Maui County Code, shall begin within three years and be completed within seven years of the adoption of this resolution. A time extension to the subdivision improvement initiation date may be considered by the Council upon timely receipt of a request for time extension at least 90 days prior to the expiration of the initial subdivision improvement start

EXHIBIT " 1 "

date. If West Maui Land Company, Inc. is unable to comply with the deadlines established by this modification, or if a time extension is requested, West Maui Land Company, Inc. shall forfeit the ten affordable housing credits.

5. That West Maui Land Company, Inc. shall pay the Department of Education the appropriate school impact fee for each of the market-rate units in the Kahoma Residential Subdivision. Such fees shall benefit the West Maui District.
6. That all dwelling units shall be built and physically occupied within 36 months of the close of escrow for the respective lot. All ten Habitat for Humanity lots shall be exempt from this modification.
7. If the Lahaina Wastewater Reclamation Facility (LWWRF) does not have the capacity or cannot be expanded to service the Kahoma Residential Subdivision, West Maui Land Company, Inc. shall pay a fair-share contribution, as determined by the County, to fund improvements at the LWWRF necessary to accommodate the additional flow, and construct wastewater transmission facilities leading to the LWWRF. The fair-share contribution shall be paid prior to the issuance of the first building permit requiring a connection to the LWWRF for the Kahoma Residential Subdivision.
8. During the construction phase, West Maui Land Company, Inc., or its agent, shall ensure that vehicles under their control with a gross vehicle weight rating of 10,000 pounds or higher shall not travel along Kalena Street or Lui Street.

Proposed Section 201H-38, HRS, Exemptions

- A. Exemption from Title 2, MCC, Administration and Personnel**
 - 1. An exemption from Chapter 2.80B, MCC, General Plan and Community Plans, shall be granted to permit the project to proceed without obtaining a community plan amendment.
- B. Exemption from Title 12, MCC, Streets, Sidewalks, and Public Places**
 - 1. An exemption from Chapter 12.08, MCC, Driveways, shall be granted to exempt the project from payment of driveway permit and inspection fees.
- C. Exemption from Title 14, MCC, Public Services**
 - 1. An exemption from Section 14.62.070, MCC, West Maui Traffic Impact Fees, shall be granted to exempt the project from payment of traffic impact fees.
- D. Exemptions from Title 16, MCC, Buildings and Construction**
 - 1. Exemptions from MCC Chapters 16.04B, Fire Code, 16.18B, Electrical Code, 16.20A, Plumbing Code, and 16.26, Building Code, shall be granted to exempt the project from payment of fire, electrical, plumbing, and building permit fees, as well as inspection fees.
- E. Exemptions from Title 18 MCC, Subdivisions**
 - 1. Exemptions from Section 18.04.030, MCC, Administration, and Section 18.16.020, MCC, Compliance, shall be granted to exempt the project from obtaining a community plan amendment and change in zoning.
 - 2. Exemptions from Section 18.16.320, MCC, Parks and Playgrounds, shall be granted to exempt the project from payment of park and playground fees and exempt the project from the provision of a comfort station and parking.
- F. Exemption from Title 19, MCC, Zoning**
 - 1. An exemption from Chapter 19.30A, MCC, Agricultural District, shall be granted to permit the development and use of the parcel for single-family residential purposes. Further, this exemption shall allow the subdivision of the property in the conceptual plat configuration shown in Attachment "A", which may be amended by the Director of Public Works.

EXHIBIT " 2 "

The following zoning standards shall apply to the proposed lots:

Minimum lot size: 5,000 square feet

Height: No building shall exceed two (2) stories or thirty (30) feet in height

Lot width: Minimum of 35 feet

SETBACK

Front yard Minimum of 15 feet (Dwelling)

Minimum of 20 feet (Garage)

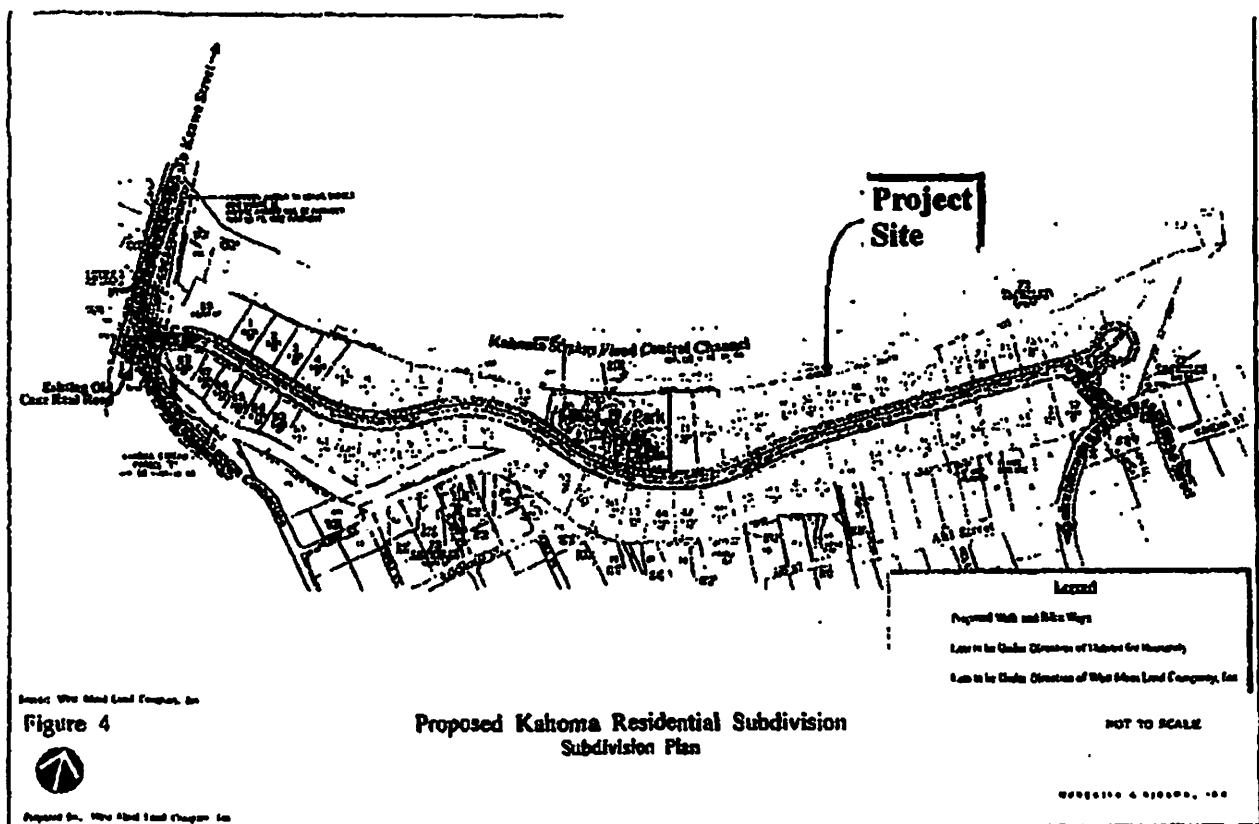
One-story homes Minimum of 8 feet
side and rear

Two-story homes Minimum of 10 feet
side and rear

Rear (Lots 32 Minimum of 20 feet
through 54)

G. Exemption from Title 20, MCC, Environmental Protection

1. An exemption from Section 20.08.090, MCC, Grubbing and Grading Permit Fees, shall be granted to exempt the project from payment of grading, grubbing, and excavation permit fees, as well as inspection fees.



ATTACHMENT "A"

COUNCIL OF THE COUNTY OF MAUI

WAILUKU, HAWAII 96793

CERTIFICATION OF ADOPTION

It is HEREBY CERTIFIED that RESOLUTION NO. 11-126 was adopted by the Council of the County of Maui, State of Hawaii, on the 2nd day of December, 2011, by the following vote:

MEMBERS	Dennis A. MATEO Chair	Joseph PONTANILLA Vice-Chair	Gladys C. BAISA	Robert CARROLL	Eleanora COCHRAN	Donald G. COUCH, JR.	G. RIM HOKAMA	Michael P. VICTORINO	Michael S. WHITE
ROLL CALL	Aye	Aye	Aye	Aye	No	Aye	No	Aye	Aye


COUNTY CLERK

End of Exhibit "A"

EXHIBIT "B"

PARCEL 5

TAX MAP KEY: (2) 4-5-010-005

SITUATED AT LAHAINA, MAUI, HAWAII

BEING PORTIONS OF R. P. 1840, L. C. AW. 424, AP. 1 AND 2
TO KANEHOEWAA; R. P. 5666, L. C. AW. 4760, AP. 1 TO LELEHU;
R. P. 2651, L. C. AW. 11150, AP. 4 TO KEONE;
R. P. 1839, L. C. AW. 3702, AP. 2 TO D. MALO; R. P. 2650,
L. C. AW. 312, AP. 1 TO KEAWEIWI; R. P. 4388, L. C. AW. 8452,
AP. 4 TO A. KEOHOKALOLE; GRANT 1891, AP. 7 TO D. BALDWIN;
GRANT 11073 TO PIONEER MILL COMPANY, LTD. AND
GRANT 2993 TO W. AP. JONES
BEING ALSO A PORTION OF PARCEL 5-A,
KAHOMA STREAM FLOOD CONTROL PROJECT

Beginning at the Northwest corner of this Parcel of
Land, being also the Southwest corner of Right-of-Way Parcel 7,
Kahoma Stream Flood Control Project, the coordinates of said
point of beginning referred to Government Survey Triangulation
Station "LAINA" being 4,773.03 feet South and 3,757.12 feet West
and running by azimuths measured clockwise from True South:

- | | | |
|----|----------|---|
| 1. | 282° 18' | 124.42 feet along Right-of-Way Parcel
7, Kahoma Stream Flood Control
Project; |
| 2. | 192° 18' | 70.00 feet along Right-of-Way Parcel
7, Kahoma Stream Flood Control
Project; |
| 3. | 276° 30' | 50.89 feet along Right-of-Way Parcel
7, Kahoma Stream Flood Control
Project; |
| 4. | 279° 40' | 206.30 feet along Right-of-Way Parcel
7, Kahoma Stream Flood Control
Project; |
| 5. | 274° 06' | 309.16 feet along Right-of-Way Parcel
7, Kahoma Stream Flood Control
Project; |

6.	265°	19'		309.17 feet along Right-of-Way Parcel 7, Kahoma Stream Flood Control Project;
7.	260°	08'	40"	103.18 feet along Right-of-Way Parcel 7, Kahoma Stream Flood Control Project;
8.	257°	32'		103.18 feet along Right-of-Way Parcel 7, Kahoma Stream Flood Control Project;
9.	252°	48'		257.66 feet along Right-of-Way Parcel 7, Kahoma Stream Flood Control Project;
10.	245°	31'		257.82 feet along Right-of-Way Parcel 7, Kahoma Stream Flood Control Project;
11.	241°	16'		154.21 feet along Right-of-Way Parcel 7, Kahoma Stream Flood Control Project;
12.	238°	30'		411.99 feet along Right-of-Way Parcel 7, Kahoma Stream Flood Control Project;
13.	227°	05'		150.33 feet along Right-of-Way Parcel 7, Kahoma Stream Flood Control Project;
14.	230°	54'		150.00 feet along Right-of-Way Parcel 7, Kahoma Stream Flood Control Project;
15.	242°	12'	40"	101.98 feet along Right-of-Way Parcel 7, Kahoma Stream Flood Control Project;
16.	230°	54'		5.05 feet along Right-of-Way Parcel 1, Kahoma Stream Flood Control Project;
17.	34°	00'		136.99 feet along L. P. 8352, I. C. Aw. 327 to Z. Kaauwai;

18. 6° 00' 300.00 feet along L. P. 8352, L. C.
Aw. 327 to 2. Kaauiwai and R. P.
4475, L. C. Aw. 7713, Ap. 27 to
V. Kamamalu;
19. 52° 36' 38.95 feet along Lui Street;
20. Thence, along Lui Street on a curve to the left with a
radius of 230.00 feet, the
chord azimuth and distance
being:

 40° 33' 52" 95.92 feet;
21. 52° 36' 85.45 feet along Lot A, Kelawea
Subdivision (File Plan 621);
22. 63° 10' 546.02 feet along Lots A, B, 8, 7, 6,
5, 4, 3, 2, 1, Kelawea
Subdivision (File Plan 621);
23. 333° 10' 59.34 feet along Lot 1, Kelawea
Subdivision (File Plan 621);
24. 54° 30' 39.01 feet along Lot 44, Kuhua Tract
No. 1 (File Plan 508);
25. 147° 40' 6.42 feet along Lot 44, Kuhua Tract
No. 1 (File Plan 508);
26. 71° 26' 23.91 feet along Lot 44, Kuhua Tract
No. 1 (File Plan 508);
27. 74° 59' 85.40 feet along Lots 44 and 45,
Kuhua Tract No. 1 (File Plan
508);
28. 60° 00' 88.07 feet along Lot 46, Kuhua Tract
No. 1 (File Plan 508);
29. 332° 55' 31.09 feet along Lot 46, Kuhua Tract
No. 1 (File Plan 508);
30. 69° 05' 113.50 feet along R. P. 2650, L. C.
Aw. 312, Ap. 3 to R. Keaweiiwi;

31.	154°	55'	12.09 feet along Lot 82, Kuhua Tract No. 3 (File Plan 516);
32.	66°	57'	101.44 feet along Lot 82, Kuhua Tract No. 3 (File Plan 516);
33.	77°	14'	80.83 feet along Lots 81 and 80, Kuhua Tract No. 3 (File Plan 516);
34.	84°	14'	23.78 feet along Lot 79, Kuhua Tract No. 3 (File Plan 516);
35.	93°	04'	25.93 feet along Lot 79, Kuhua Tract No. 3 (File Plan 516);
36.	103°	15'	60.30 feet along Lots 79 and 78, Kuhua Tract No. 3 (File Plan 516);
37.	112°	42'	143.40 feet along Lots 78 and 69, Kuhua Tract No. 3 (File Plan 516);
38.	100°	43'	80.10 feet along Lot 69, Kuhua Tract No. 3 (File Plan 516);
39.	90°	56'	24.98 feet along Lot 69, Kuhua Tract No. 3 (File Plan 516);
40.	70°	15'	24.11 feet along Lot 69, Kuhua Tract No. 3 (File Plan 516);
41.	63°	25'	63.88 feet along Lots 69 and 68, Kuhua Tract No. 3 (File Plan 516);
42.	51°	27'	144.18 feet along Lots 68, 55, 54, Kuhua Tract No. 3 (File Plan 516);
43.	51°	14'	80.01 feet along Lot 54, Kuhua Tract No. 3 (File Plan 516) and along Kopili Street;
44.	107°	01'	36.54 feet along Kopili Street;

45. 233° 50' 384.00 feet along Kahoma Stream Parcel 6 (C.S.F. 21,571);
46. Thence, along the North side of Old Kahoma Stream, the direct azimuth and distance being:
- 91° 14' 17" 962.09 feet;
47. 181° 44' 136.11 feet along Parcel 1-B-1, Kahoma Stream Flood Control Project to the point of beginning and containing an area of 16.683 acres, more or less.

Being all the property described in Warranty Deed recorded on December 5, 2013 in the Bureau of Conveyances of the State of Hawaii as Document No. A-50870283, from Kahoma Residential LLC, a Hawaii limited liability company, as Grantor, to West Maui Land Company, Inc., a Hawaii corporation, as Grantee.

SUBJECT, HOWEVER, to the following:

1. Title to all minerals, and metallic mines reserved to the State of Hawaii.
2. Free flowage of Kahoma Stream, as shown on tax maps.
3. Location of the boundary of the Kahoma Stream and the effect, if any, upon the area of the land described herein.
4. Ditch as shown on tax maps.
5. Lease in favor of Maui Electric Company, Limited and GTE Hawaiian Telephone Company Incorporated, dated October 13, 1967, recorded in the said Bureau of Conveyances in Liber 5893 on Page 226; leasing and demising rights-of-way, each twenty-five (25) feet in width, over, across and under all lands owned and held by Pioneer Mill Company, Limited situate in the District of Lahaina on the Island of Maui in the State of Hawaii, for a term of 35 years from October 13, 1967, and thereafter from year to year until terminated.
6. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as

provided in Grant to Maui Electric Company, Limited for a perpetual right and easement to build, construct, rebuild, reconstruct, maintain, operate and repair pole and wire lines, etc., for the transmission and distribution of electricity, along, across, over, through and upon Easement "17", area 1.287 acres, dated July 1, 1975, recorded in the said Bureau of Conveyances in Liber 10784 on Page 530.

Amendment thereof by instrument recorded on September 8, 1988 in Liber 22333 on Page 178.

7. Terms and provisions as contained in Memorandum of Contract Rights Regarding Access Easement executed by Pioneer Mill Company, Limited, a Hawaii corporation, dated August 28, 2000, recorded August 28, 2000 in the said Bureau of Conveyances as Document No. 2000-118780.

8. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in Grant to Pioneer Mill Company, Limited, a Hawaii corporation, for perpetual and irrevocable easement rights and a right-of-way, in gross, for access, roadway and utility purposes, dated August 28, 2000, recorded in the said Bureau of Conveyances as Document No. 2000-118781, over, under, through and across a sixty-foot wide portion of the premises described herein, being Easement "1".

9. Covenants, conditions, restrictions, reservations, agreements, obligations, easements and other provisions set forth in Deed and Reservation of Rights and Easements dated August 28, 2000, recorded August 28, 2000 in the said Bureau of Conveyances as Document No. 2000-118776, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or natural origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c) or Section 515-6, HRS.

10. Matters relating to the exercise of Native Hawaiian customary and traditional rights and practices, including without limitation those exercised for subsistence, cultural or religious purposes, and access, water gathering rights, as reserved, existing or established under the Constitution, law and usage of the State of Hawaii.

11. Notice of Imposition of Conditions by the Land Use Commission dated April 8, 2013, recorded April 11, 2013 in the said Bureau of Conveyances as Document No. A-48490364.

12. Covenants, Conditions and Restrictions, but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in the Declaration of Conditions dated April 30, 2013, recorded May 6, 2013 in the said Bureau of Conveyances as Document No. A-48740743.

13. Action between Michele Lincoln, as Plaintiff, and Land Use Commission, West Maui Land Company, Inc., Kahoma Residential LLC, et al., as Defendants, filed in the Second Circuit Court, State of Hawaii, as Civil No. 13-1-000528, on May 1, 2013, for the purpose of agency appeal.

14. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.

15. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.

16. Any encroachment, encumbrance, violation, variation, question of location, boundary and/or area, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.

17. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.

END OF EXHIBIT "B"

Tax Key: (2) 4-5-010-005

Exhibit 'C'

List of Sales Prices

Kahoma Residential: Unit Counts & Maximum Sales Prices¹

No. of Units	Percentage of Project	HUD Income Range	Annual Household Income ²	1 Bedroom House & Lot	2 Bedroom House & Lot	3 Bedroom House & Lot	4 Bedroom House & Lot	Lot Only ³
10	15%	< 80%	\$ 60,080	\$ 231,840	\$ 281,520	\$ 331,200	\$ 380,880	\$ 165,600
12	12%	< 100%	\$ 75,100	\$ 289,800	\$ 351,900	\$ 414,000	\$ 476,100	\$ 207,000
13	25%	<120%	\$ 90,120	\$ 347,760	\$ 422,280	\$ 496,800	\$ 571,320	\$ 248,400
10	15%	< 140%	\$ 105,140	\$ 405,650	\$ 492,575	\$ 579,500	\$ 666,425	\$ 289,750
23	33%	< 160%	\$ 120,160	\$ 463,610	\$ 562,955	\$ 662,300	\$ 761,645	\$ 331,150

- 1) Based on 2015 Affordable Sales Price Guidelines prepared by Housing Division, Dept. of Housing and Human Concerns, County of Maui, Effective May 1, 2015 with an assumed interest rate of 4%.
- 2) Annual Household Income is based on a family of four and in accordance with the 2015 Affordable Sales Price Guidelines prepared by Housing Division, Dept. of Housing and Human Concerns, County of Maui, Effective May 1, 2015.
- 3) Lot only prices are based on 50% of the sales price of a 3 bedroom house & lot.

End of Exhibit "C"



STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED

April 15, 2016 8:01 AM

Doc No(s) A-59490189



1 1/1 ICL
B-32792350

/s/ NICKI ANN THOMPSON
REGISTRAR

LAND COURT SYSTEM

REGULAR SYSTEM

Return by Mail (X) Pickup () To:

MANCINI, WELCH & GEIGER LLP (jmt)
305 E. WAKEA AVENUE, STE. 200
KAHULUI, HAWAII 96732

TITLE GUARANTY OF HAWAII HAS
FILED THIS DOCUMENT FOR RECORD
AS AN ACTION OF LOCATION ONLY. THIS
DOCUMENT HAS NOT BEEN
REVIEWED IN ANY WAY EXAMINED
AS TO ITS EFFECT ON REAL PROPERTY

TG: 478983L

TITLE OF DOCUMENT:

CORRECTED AGREEMENT REGARDING
RESIDENTIAL WORKFORCE HOUSING
REQUIREMENTS

Total Number of Pages: 6

PARTIES TO DOCUMENT:

WML: WEST MAUI LAND COMPANY, INC.
305 E. Wakea Avenue, Suite 100
Kahului, Hawaii 96732

COUNTY: COUNTY OF MAUI
200 South High Street
Wailuku, Hawaii 96793

Tax Map Key No. (II) 4-5-010:005

CORRECTED AGREEMENT REGARDING
RESIDENTIAL WORKFORCE HOUSING REQUIREMENTS

On October 15, 2015, WEST MAUI LAND COMPANY, INC., a Hawaii
corporation, and COUNTY OF MAUI, a political subdivision of the State of Hawaii, recorded an

Agreement Regarding Residential Workforce Housing Requirements for the Kahoma Residential Subdivision (the "Agreement") as Document No. A-57660224 in the Bureau of Conveyances of the State of Hawaii (the "Bureau").

In the Agreement, reference was made to a List of Sales Prices that was attached as Exhibit "C" to the Agreement.

The Exhibit "C" attached to the Agreement recorded in the Bureau mistakenly listed the number of units available within the HUD Income Range of < 100 % and within the HUD Income Range of < 120 %.

WML and County wish to correct the Agreement by recordation of a corrected Exhibit "C" that contains the correct number of units available within those HUD Income Ranges.

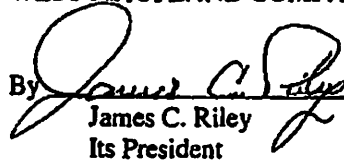
Attached as Corrected Exhibit "C" is the document which has the correct number of units available within those HUD Income Ranges.

In paragraphs 5 (d) and 5(e) of the Agreement, the parties stated that the COUNTY had a period of up to one hundred twenty (120) days in which to exercise an option to purchase and in which to complete the purchase. This period exceeds the time allowed by the Federal Housing Administration for FHA backed loans. Accordingly, WML and COUNTY are correcting paragraphs 5(d) and 5(e) of the Agreement to delete the reference to one hundred twenty (120) days and inserting in its place ninety (90) days.

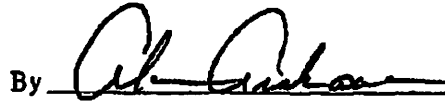
WML and COUNTY are correcting the instrument recorded previously to provide the Corrected Exhibit "C" and to change the reference of one hundred twenty (120) days to ninety (90) days in paragraphs 5(d) and 5(e).

Dated: ^{W.P.} April 6th 2016.
Wailuku, Hawaii, March


WEST MAUI LAND COMPANY, INC.

By 
James C. Riley
Its President

COUNTY OF MAUI

By 
ALAN M. ARAKAWA
Its Mayor

APPROVAL RECOMMENDED:


Carol Reimann
Director, Department of Housing and Human Concerns

APPROVED AS TO FORM AND LEGALITY:

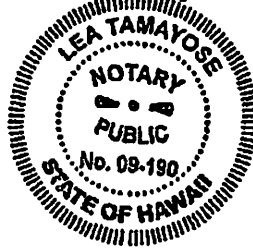

JEFFREY UEOKA
Deputy Corporation Counsel
County of Maui

STATE OF HAWAII)

) SS.

COUNTY OF MAUI)

On this 17th day of March, 2016, before me personally appeared JAMES C. RILEY, to me known, who, being by me duly sworn, did say that he is the President of WEST MAUI LAND COMPANY, INC., and that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and said officer acknowledged said instrument to be the free act and deed of said corporation.



[Signature]
Notary Public, State of Hawaii

Printed Name: Lea Tamayo

My Commission Expires: 17 July 17

Doc. Date: undated Pages: 1

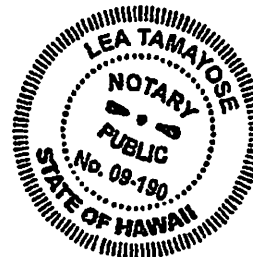
Name: Lea Tamayo Second Circuit

Doc. Description: Corrected Agreement Regarding Residential Workforce Housing Requirements

[Signature]
Notary Signature

17 March
Date

NOTARY CERTIFICATION

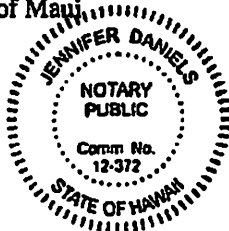


STATE OF HAWAII)

SS.

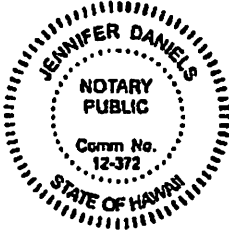
COUNTY OF MAUI)

On this 12th day of April, 2016, before me personally appeared ALAN M. ARAKAWA, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui by authority of its Charter, and the said ALAN M. ARAKAWA, acknowledged the said instrument to be the free act and deed of said County of Maui.



Jennifer Daniels
Notary Public, State of Hawaii
Printed Name: JENNIFER DANIELS
My Commission Expires: 11/11/2016

Doc. Date: <u>4/12/2016</u>	Pages: <u>1</u>
Name: <u>JENNIFER DANIELS</u>	Second Circuit
Doc. Description: <u>Corrected Agreement Regarding Residential Workforce Housing Requirements Between West Maui Land Co., Inc and County of Maui</u>	
<u>Jennifer Daniels</u> Notary Signature	<u>4/12/2016</u> Date
NOTARY CERTIFICATION	



Corrected Exhibit 'C'

List of Sales Prices

Kahoma Residential: Unit Counts & Maximum Sales Prices¹

No. of Units	Percentage of Project	HUD Income Range	Annual Household Income ²	1 Bedroom House & Lot	2 Bedroom House & Lot	3 Bedroom House & Lot	4 Bedroom House & Lot	Lot Only ³
10	15%	< 80%	\$ 60,080	\$ 231,840	\$ 281,520	\$ 331,200	\$ 380,880	\$ 165,600
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10	15%	< 140%	\$ 105,140	\$ 405,650	\$ 492,575	\$ 579,500	\$ 666,425	\$ 289,750
23	33%	< 160%	\$ 120,160	\$ 463,610	\$ 562,955	\$ 662,300	\$ 761,645	\$ 331,150

- 1) Based on 2015 Affordable Sales Price Guidelines prepared by Housing Division, Dept. of Housing and Human Concerns, County of Maui, Effective May 1, 2015 with an assumed interest rate of 4%.
- 2) Annual Household Income is based on a family of four and in accordance with the 2015 Affordable Sales Price Guidelines prepared by Housing Division, Dept. of Housing and Human Concerns, County of Maui, Effective May 1, 2015.
- 3) Lot only prices are based on 50% of the sales price of a 3 bedroom house & lot.

Repurchase Price Computation		
Name(s)	TEIXEIRA,LUCAS CAMPOS Fee Owner TEIXEIRA,STEPHANIE HEYN Fee Owner	
Lot No.	LOT 50 KAHOMA RESIDENTIAL SUBDIVISION POR RP 2651,	
Subdivision	Kahoma Residential	
TMK	450370130000	
Purchase Date	August 28, 2017	
Repurchase Price as of	1/31/2021	\$ 697,257.83
Computation Summary		
I.	Original cost to purchaser	\$ 666,425.00
II.	1% Return on down payment	\$ 4,893.84
III.	Cost of improvements	\$ 25,213.77
IV.	1% Return on improvements	\$ 725.22
V.	% Return on Loan Principle Reduction (2nd Mortgage)	\$ -
VI.	% Return on Principal Loan Reduction	\$ -
VII.	Other:	\$ -
	TOTAL	\$ 697,257.83

EXHIBIT "C"

Resolution

No. _____

**AUTHORIZING THE GRANT OF THE REAL PROPERTY LOCATED AT
244 KOMO MAI STREET, LAHAINA, MAUI, HAWAII, TO
HOUSING AND LAND ENTERPRISE OF MAUI DBA NA HALE O MAUI**

**WHEREAS, the County of Maui acquired the property located at 244 Komo
Mai Street, Lahaina, Maui, Hawaii 96793, identified as Tax Map Key
No. (2) 4-5-037:013, hereinafter referred to as the "Property"; and**

**WHEREAS, Housing & Land Enterprise of Maui, dba Na Hale O Maui
("Na Hale"), has submitted a County of Maui, In-Kind Grant Application,
attached hereto and made a part hereof as Exhibit "A"; and**

**WHEREAS, the County desires to grant the Property in fee simple to
Na Hale; and**

**WHEREAS, in accordance with Section 3.44.030, Maui County Code
("MCC"), the Council may authorize the disposition of real property in fee simple;
and**

**WHEREAS, Council may, if it finds that it is in the public interest, dispose
of real property in a manner other than by public auction; and**

**WHEREAS, in accordance with Section 3.36.090, MCC, the Council may
authorize the grant of real property by resolution; and**

WHEREAS, in accordance with Section 3.44.070, MCC, the Council may

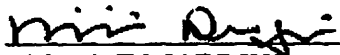
Resolution No. _____

waive the appraisal requirement for disposition of real property; now, therefore;

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

1. That it finds that it is in the public interest to grant the real property to Na Hale.
2. That it waives the appraisal requirement.
3. That it authorizes the grant of the fee simple interest in the Property to Na Hale.
4. That it does hereby authorize the Mayor, or the Mayor's duly authorized representative, to execute all necessary documents to further the intent of this resolution; and
5. That certified copies of this resolution shall be transmitted to the Mayor, the Finance Director, the Director of the Department of Housing and Human Concerns.

APPROVED AS TO FORM AND LEGALITY



MIMI DESJARDINS
Deputy Corporation Counsel
County of Maui
2020-1864
2020-12-02 Resolution for transfer

**County of Maui
In-Kind Grant
244 Komo Mai Street, Lahaina, HI 96761**

Type of Use:	In-kind Grant
Project / Program:	For-Sale Housing
Occupancy:	1 family
Income Qualification:	At or below 120% Area Median Income
Period of Affordability:	In Perpetuity
Project:	244 Komo Mai Street, Lahaina, HI 96761
Subdivision:	Kahoma Residential Subdivision
Location:	Lahaina, HI 96761
Bedrooms/Bathrooms	4 bedrooms / 3 baths
Living Area:	1,874 square feet
Year Built:	2017
Land Area:	7446 Square Feet
Tax Map Key:	(2) 4-5-037-013-0000
Entity:	Housing & Land Enterprise of Maui, dba Na Hale O Maui, A non-profit Community Land Trust
EIN:	20-5325361
Name and Title of Authorized Signors:	Cassandra J. L. Abdul, Executive Director David L. Ward, President
Address:	190 North Church Street, Wailuku, HI 96793
Phone:	(808) 304-3533
Email:	cassandra@nahaleomaui.org
Who will own the property:	Na Hale O Maui
After Occupancy:	Homeowner owns improvements Na Hale O Maui retains the land

Certification of Authorized Official:

To the best of my knowledge and belief, data, attachments and exhibits in this application are true and correct. The documents have been duly authorized by the governing body of the entity and the entity will comply with all Federal, State, and County rules and regulations if the in-kind grant is awarded.



Cassandra Abdul, Executive Director

EXHIBIT "A"

Organization:

Housing and Land Enterprise of Maui, dba Na Hale O Maui (NHOM) is a nonprofit 501(c)(3) grassroots membership-based organization founded in 2006. Our mission is *to secure and preserve a permanent supply of affordable housing alternatives for low and moderate-income households in Maui County*. Na Hale O Maui serves income-qualified households that earn 80% to 140% of the Area Median Income (AMI.) The exact AMI for each house is generally determined by the funding source.

NHOM utilizes the Community Land Trust model, which separates the value of the land from the improvements. The land is held in trust, and the home is sold to income-qualified homeowners at a truly affordable, below-market price, subject to a 99-year sustainable ground lease. The homeowner has the right to renew the ground lease for an additional 99-year period.

The CLT utilizes a shared appreciation formula designed to give the homeowner a fair return on their investment, while providing future homebuyers housing at an affordable price. When the homeowner is ready to sell, the CLT may exercise its option to repurchase the home. The CLT model keeps homes affordable in perpetuity, homeowner after homeowner, generation after generation. Current affordable- and workforce-housing programs contain deed restrictions that allow homes to go to fair market in a relatively short time. Once the home moves to market price, replacement of the affordable home requires additional investments of public funds (typically at a higher cost.) The CLT model, in contrast, retains investments made in CLT homes in the property, in perpetuity.

NHOM has had the privilege of collaborating with the County of Maui's Affordable Housing Fund to acquire, rehabilitate, build, and sell single-family homes to income-qualified island families. NHOM has effectively doubled the amount of homes originally made possible with federal, state and county grants. Today, there are 45 CLT homes, including two previous County of Maui in-kind grants.

NHOM provides education, training and support to ensure our homebuyers and homeowners understand the leasehold arrangement, can successfully maintain their homes and make payments. As a result, no CLT homes have been lost to foreclosure.

Need:

The Affordable Rental Housing Report and Ten-Year Plan (July 2018) states: Hawai'i has had an affordable housing crisis for decades. In 1970, nearly 50 years ago, the Hawai'i State Legislature, recognizing the importance of affordable housing to

the fabric of our society, enacted Act 105 (Session Laws of Hawaii 1970), to address the severe shortfall of affordable housing for lower- and middle-income residents. Almost a half century later, a critical shortage of affordable housing not only continues to exist, it has grown to crisis proportions.

The State Department of Business, Economic Development and Tourism, Measuring Housing Demand in Hawaii, 2015- 2025 study (Department of Business, Economic Development & Tourism, 2015), projects that the state will require 64,693 housing units to meet demand by 2025. Nearly 70% (43,828) of the units will be needed for low-income households earning 80% or less of the Area Median Income

"Projected housing need Statewide, approximately 64,100 housing units are projected to be needed from 2014 - 2020. This includes an estimated backlog of approximately 25,900 housing units and the projected demand for approximately 38,200 new housing units to accommodate household growth (based on the State's 2040 population projections).

"Households with incomes of 80% and below the area median Income (AMI) are targeted for rental assistance while households with incomes from 80-140% AMI are targeted for homeownership assistance.... Approximately 27,200 affordable rental housing units and 16,500 affordable for-sale units are estimated to be needed by 2020. (Source: Ricky Cassiday, Rental Housing Study, 12/30/2014)

"As noted In the Needs Assessment, statewide approximately 64,100 housing units are projected to be needed from 2014 -2020. This includes an estimated backlog or unmet need of approximately 25,900 housing units, of which approximately 18,700 are needed by households with income of 140% AMI and below.

"... There is an unmet need for approximately 11,600 affordable rental housing units and 7,100 affordable for-sale units. (Rick Cassiday, Affordable Rental Housing Study Update 2014, December 2014.)"

The 2010-2014 Consolidated Plan for the County of Maui states on page 27:

"Households with incomes at 80% of HUD median income and below are estimated to be in need of rental housing and households with incomes between 80 percent and 140 percent of HUD median income are estimated to be in need of affordable for-sale housing. By 2015, approximately 17,400 affordable rental housing units and nearly 6,800 affordable for-sale units are projected to be needed."

The 2015-2019 Draft Consolidated Plan for the County of Maui Summary of Housing Needs (p.29) sets forth "Housing Problems for Maui County, defined as households with one of the following four needs:

1. Substandard Housing- lacking complete plumbing or kitchen facilities.

EXHIBIT "A"

2. Overcrowding -more than one person per room (and none of the problem).
3. Housing cost burden greater than 30% of income (and none of the problems).
4. Housing cost burden greater than 50% of income (and none of the problems)."

The list of housing problems (above) considers each issue independently, and not in combination. However, we have found that most households who participate in our program contend with both substandard and overcrowded housing conditions. We routinely hear about living situations with multiple generations in a single 'home,' and households of six in a 1- or 2-bedroom apartment.

The escalating cost and the decreasing number of available Maui rental units are well documented. Our program participants struggle with housing cost burdens much greater than 30%, and often more than 50% of their income, even when holding down multiple Jobs.

The need for affordable housing on Maui is evidenced by rising home ownership costs, compounded by relatively low wages in one of the highest cost-of-living areas in the nation. Working families in Hawaii face the highest housing prices in the nation, and often do not earn enough to meet housing costs. The median income in Maui County is \$68,777 (US Census, 2016), and the median price of a single-family home is \$769,000 (Realtors Association of Maui, July 2018.) The median income cannot qualify for or support a mortgage of a median priced home. Many professionals, including teachers, police officers, firefighters, construction, hotel, retail and County workers, cannot afford to live in the communities they serve.

The lack of affordable homes has a detrimental impact on our community. Many low- and moderate-income families have been forced to leave Hawaii in search of a home and lifestyle they can better afford, and many more are at risk. Further, housing affects overall quality of life, as families must make tough choices when burdened with high monthly living costs. Lack of access to affordable housing constrains a family's ability to pay for other important budget items such as nutritious food, preventative medical care, insurance, reliable transportation and quality childcare, according to the Hawaii Appleseed Project report.

The Maui Island General Plan 2030 Executive Summary, Affordable Housing, states **"Housing for our workforce will remain affordable in perpetuity. Housing that is approved as "affordable" will not be converted to free market housing."** (p. ES-2) This is a laudable goal that the County of Maui will achieve by "partnering" with Na Hale O Maui's Community Land Trust program that keeps homes affordable in perpetuity.

EXHIBIT "A"

Further, the report recognizes the High Cost of Living. "Maui's high cost of living and shortage of affordable housing creates barriers to attracting and retaining the skilled workforce needed by many high technology industries." (p.4-23.) This is true at all employment levels. We need to restrain Maui's 'brain drain' by keeping our skilled and knowledgeable workers here in Maui. We can do this by creating, securing and providing truly affordable housing to Maui's workforce.

Analysis and justification for the grant.

The natural increase and net in-migration of Maui residents far exceeds our capacity to provide housing. The combined efforts of private for-profit and nonprofit developers and government has not met the demand, despite continuing efforts on the part of all parties.

Everyone is mindful of the problem. We simply have not agreed upon or implemented the right solution: a combination of incentives and reduced regulatory burden that will increase the delivery of housing in Maui County.

"Housing is a large part of the high cost of living. Hawaii is the state with the highest cost of living in the nation. Maui costs more to live in than Honolulu. Lowering the cost of living is equivalent to a boost in GDP...." [Schlomach, The Importance of the Cost of Living and Policies to Address it." GoldwaterInstitute.org, p.2, Nov 16, 2017. Schlomach goes on to state that "there is a strong correlation between cost of living and per capita personal income."

Despite recent periodic increases in the minimum wage, individual purchasing power has not kept pace or increased at the same rate. Wages are business expenses. Increased wages leads to higher cost to do business, and result in increased prices of goods and services. Lower the cost of living would have an immediate beneficial impact of Hawaii families.

The Community Land Trust program helps NHOM families reduce their cost of housing significantly. Generally, the mortgage a NHOM family pays is significantly less than the cost of the current fair market rental for the same size home. Additionally, there is no more apprehension that the landlord will raise the rent or sell the unit.

NHOM homeowners have had the opportunity to reduce the number of or change the jobs they work. Some homeowners have been able to change or start a career.

244 Komo Mai Street is located in the Lahaina area of West Maui. The majority of the homebuyers entering the NHOM program who work and/or live in West Maui express an interest in owning a home in Lahaina.

Our homebuyers and home owners know that **every house counts!** 244 Komo Mai Street is another home that will afford an additional island family the opportunity to realize their dream of homeownership. For that family, it will be the start of a better life for themselves and their children. A NHOM homeowner shared their homeownership experience with the CLT program: Na Hale O Maui is ***Changing Lives one home at a time!***

For our community, it means one additional home that will remain affordable in perpetuity. This house will not go to market in less than 10 years, the original reserve (affordability) period imposed on the developer. There are approximately 7.5 years remaining of 'affordability.'

The in-kind grant of this property will immediately convert the home to affordable in perpetuity as Na Hale O Maui becomes a steward to one additional home and island family. This affordability will continue homeowner after homeowner, generation after generation. No other program in Maui can make that pledge.

Project Description:

Kahoma Homes is a small 70-lot infill project developed by West Maui Land. The project is located in Lahaina, between the Kahoma Stream Flood control Channel and a portion of the original Kahoma stream beds; between Keawe Street, the Lahaina Bypass, Lahainaluna Road and Kahua Road. Kuhua is located adjacent to the old Pioneer Mill railroad tracks and is the north terminus of the proposed Kuhua Street Extension project. (Please see attached Exhibit 1 Location Maps)

244 Komo Mai Street is a 2-story, 4-bedroom, 3 bath single family home built in 2017. The home is accessed by private and public roadways: Kuhua and Komo Mai Streets. The home is situated amid other neighboring homes. Across the street, to the North, is a public park where the neighborhood mailboxes are located. (Please see attached Exhibit 2 - Property Information)

The Developer initially sold the home at an affordable price, with a 10-year deed restriction, in 2017. The homeowner offered the home to the County of Maui in 2020, as required under the Development Agreement. Approximately 25% (2.5 years) of the reserve period has elapsed; 7.5 years remains of the deed restricted period.

The County of Maui exercised its option to purchase the home preventing the home from going to fair market price under the terms of the Development Agreement with the County of Maui.

Granting the home to Na Hale O Maui will immediately change the affordability period from temporary to permanent.

EXHIBIT "A"

Public Purposed to be served

Affordable and/or workforce housing is only financially feasible through various subsidies offered through the provisions of State §201H and/or County of Maui §2.96 streamline processes. The process may reduce, exempt or modify development requirements that result in cost savings that the developer would otherwise bear (and pass on to homeowners.) The ultimate beneficiaries of the streamlining process are the income-qualified homeowners who may purchase their homes at a lower price.

Affordable housing has been built on Maui. Unfortunately, affordable units are only deed restricted during the reserve period. Most previously built affordable and workforce housing units have been sold at fair market rates in 10 years or less. Maui County has not been able to maintain and grow the number of affordable and workforce housing units, let alone keep up with the demand from income-qualified families. This is a serious barrier that impacts Maui's workforce, employers and the community.

When Maui's affordable/workforce housing stock is eventually sold at market prices, a new investment subsidy must be made into the next affordable unit in order to simply maintain the number of affordable units. Generally, each new subsidy for affordable and workforce house will be larger than the previous subsidy since material and labor costs have increased significantly over time.

Granting the home in-kind to Na Hale O Maui will make the home permanently affordable ensuring that it will never go to market price. The subsidy invested in the property (the in-kind grant value) will remain with the property in perpetuity. The CLT homeowner has the opportunity to receive a fair but reduced share of any appreciation when they are ready to sell. The next income-qualified buyer will purchase the home at a truly affordable price.

The public purpose - maintaining grant subsidies in the property while keeping the home affordable in perpetuity - is consistently achieved by Na Hale O Maui.

The objectives intended to be achieved

Na Hale O Maui currently has 45 homes in its portfolio. Each sale of a NHOM home is made to an income-qualified island family. The homes remain truly affordable to the next homebuyer, and future generations.

Na Hale O Maui exercised its Option to Purchase 6 existing NHOM homes. NHOM facilitated the sale of an additional home from an existing homeowner to a new income-qualified homebuyer from NHOM's Qualified Buyer list. NHOM just completed rehabilitating the 7th home that will be offered for sale to our Qualified Buyers in

December, 2020. Six additional income-qualified families now live in those homes with a 7th anticipated to be occupied in early 2021.

Three of our selling homeowners have moved to market-rate homes: 2 on Maui and 1 on the mainland. The shared appreciation formula and disciplined savings habit over time make it happen. At closing, these selling homeowner realized the down payment, mortgage principal reduction, and shared appreciation.

Granting the home in-kind to Na Hale O Maui will convert the affordability period from the remaining 7.5 years or less to permanent affordability, ensuring that the home will never go to market price. The value of the investment of the in-kind grant will remain in the property in perpetuity, homeowner after homeowner, generation after generation. NHOM is the only affordable and/or workforce housing program to accomplish this worthy goal set forth in the Maui Island General Plan 2030.

The activities and services to be performed:

Vacant homes tend to deteriorate the longer they remain unoccupied. This generally requires more rehabilitation and repairs that will need to be made. Na Hale O Maui, upon the in-kind grant from the County of Maui, will obtain a professional inspection report and make necessary repairs to rehabilitate the home and bring it up to marketable condition. (Please See Exhibit 6-Select list of NHOM Activities is attached for your convenience.)

Na Hale O Maui offers one solution to this community-wide challenge and a life-changing opportunity to a select number of Maui families. The NHOM CLT model provides education, guidance and support before and after selling quality homes to island families. The CLT model ensures that NHOM homes remain affordable in perpetuity; a permanent community benefit.

Prospective homebuyers must complete the NHOM 4-step process in order to be place on the Qualified Buyer List. This includes: 1) attending an in-person or virtual Na Hale O Maui Community Land Trust orientation seminar; 2) attending a HUD approved Homebuyer Financing Class; 3) meeting with a loan officer and obtaining a pre-qualification letter; and 4) meeting with the housing coordinator to review the ground lease, resale formula and homebuyer selection policies and procedures. Once on the Qualified Buyer list, the applicants will be notified when homes are ready for sale.

The probable efficiency and effectiveness of the proposed grant in achieving the intended objectives, compared with other alternatives.

There is great demand for truly affordable NHOM homes. Providing an in-kind grant of 244 Komo Mai Street to Na Hale O Maui will change the length of affordability from the remaining 7.5 years to perpetuity. NHOM is the first and only fully functional

EXHIBIT "A"

Community Land Trust in Hawaii. No other for-profit or nonprofit organization protects the affordability of homes in the same way. NHOM homes never go to market prices; they remain affordable homeowner after homeowner, generation after generation.

The number of qualified buyers who typically attend a NHOM home showing can average up to 22 families/individuals for each available NHOM home. As many as 14 prospective buyers pursue initial qualification requirements. On average, there are 3-4 prospective buyers who complete the application process and participate in the Home Selection process for each home we sell. Our Home Buyer Selection Committee employs a blind selection process, using primary and secondary criteria, to determine the buyer of each NHOM home.

Each component of NHOM's 4-step process helps ensure that prospective homebuyers are fully informed as to the fundamental details and atypical nature of the real estate transaction (i.e. involving a sustainable leasehold interest in the land and restrictions of the ground lease agreement related to occupancy, resale, inheritance and alterations.) The process has proven effective. To date, with 45 homebuyers, Na Hale O Maui maintains a 0% default rate. All NHOM homeowners have stayed in their homes, remained current on their payments, or sold their home earning a share of any appreciation. More than one NHOM family was able to purchase a market-rate home.

NHOM may provide a matching grant, based on need, of up to \$10,000 to assist the buyer with the down payment and closing costs. To date, Na Hale O Maui has provided a total of \$145,500 in matching grants to our homeowners.

Possible alternatives:

- Maui County elect not to exercise option to purchase. Allow the property to move to market price after approximately 2.5 years. Homeowner will realize a windfall profit, including all subsidies. Home is lost from affordable housing stock.
- Maui County exercise its option to purchase and take title to property. Maui County staff undertake all steps to hold, maintain, rehabilitate, prepare property for sale, including homeowner selection, contracts, escrow and closing.
- Maui County exercise its option to purchase and take title to property. Staff prepare and advertise (multiple) request for RFP to manage, market and sell affordable housing. Review and select vendor in compliance with procurement requirements; prepare and execute contract, oversee and administer property and vendor services.
- After the sale to the income-qualified homeowner, the County will have to track and enforce affordability restrictions, including annual occupancy verification.

Each of these alternatives will require that the county of Maui take ownership and add considerable time to the process. They require additional unbudgeted

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human and financial capital expenditures. There is a fairly steep learning curve unless the County currently has excess capacity and skilled, knowledgeable and experienced staff for the requisite activities.

On balance, granting Na Hale O Maui reserve housing during the restricted period is the most efficient and effective means of increasing affordable housing in perpetuity and ensuring the enforcement of affordability requirements.

The target group to be affected

Na Hale O Maui's 501(C)3 application to the Internal Revenue Service included income-qualified homebuyers who earn less than 140% of the Areal Median Income (AMI) for Maui County due to our high cost of living and housing. Income qualification is the primary criteria in NHOM's blind selection process with 9 additional secondary criteria. (Please Exhibit 3 - Homebuyer Selection Policies & Procedures.)

Our homeowners were qualified with income ranging from 75% up to 139% of AMI at the time of purchase. (Five homes between 120% - 140% AMI.) Approximately half of NHOM homebuyers earned less than 100% AMI.

NHOM expects to continue marketing and selling homes in accordance with our Policies and Procedures. Ideally, NHOM plans to sell the subject property to an income-qualified family with less than 120% of the Area Median Income for Maui County. However, in these extra-ordinary Covid-19 times and in accordance with the Development Agreement, NHOM would retain the ability to sell up to 140% of AMI only if unable to qualify and contract at the lower rate. The 2020 HUD and Maui County affordable housing guidelines determined that a household of 4 earning 120% AMI may earn up to \$117,000.

Measures by which the effectiveness of the grant is to be evaluated:

The effectiveness of the grant will be measured by the sale of the home to an income-qualified family that completes NHOM's 4-step process, participates in the NHOM Buyer Selection process, enters into a contract to purchase the home, qualifies for a mortgage and closes escrow to occupy and own the home. The homeowner must demonstrate completion of an 8-hour HUD approved financial homebuyer education class, to maintain the home and remain current on their financial obligations, including but not limited to the mortgage, insurance, HOA dues and lease rent.

Outcome:

The long-term community result we seek is to rehabilitate the subject property, in order to provide an opportunity for a low- to moderate-income family to purchase a quality home at below market rates. The home will remain affordable in perpetuity

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This safe, secure home will be the opportunity for an island family to experience the life-changing benefits of home ownership. Our constituents gain knowledge about the leasehold process, education on managing their money, matching grants to help if needed with upfront costs, and support throughout the process of buying their home.

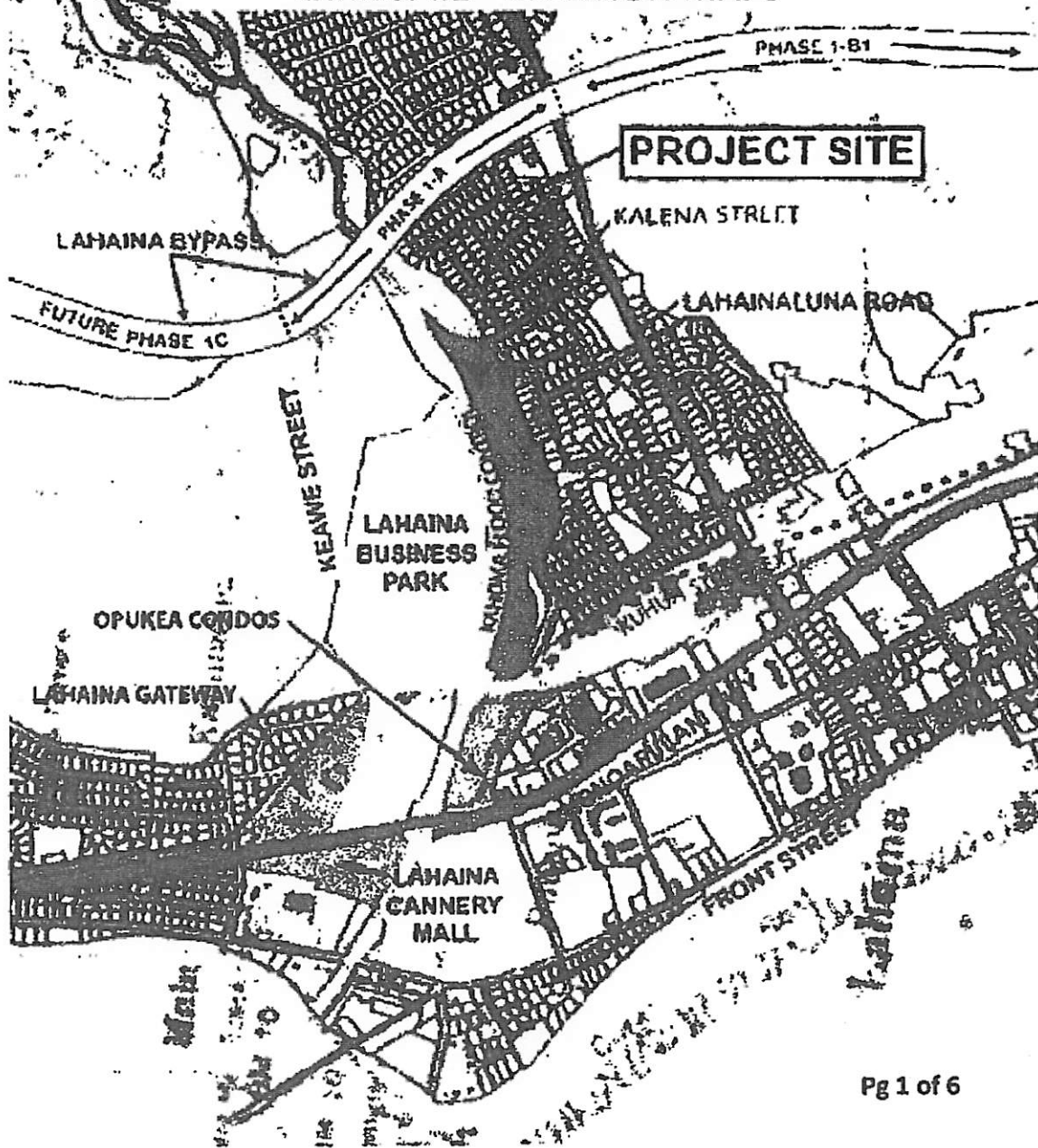
"In addition to tangible financial benefits, research has shown the homeownership bring substantial social benefits for families, communities and the country as a whole." [Economist Commentaries, Promoting Home Ownership, by Selma Hepp, Research Economist, 3/27/2012] Studies have shown that children are more likely to perform better academically, join extra-curricular activities and organizations, and graduate from high school.

Na Hale O Maui respectfully requests that the County of Maui provide an in-kind grant of 244 Komo Mai Street. This will transform a house with a maximum 7.5 years of deed restricted affordability to a home that will always be affordable, homebuyer after homebuyer, generation after generation.

EXHIBIT "A"

KAHOMA RESIDENTIAL SUBDIVISION

EXHIBIT #1 - LOCATION MAPS



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EXHIBIT "A"



EXHIBIT "A"



EXHIBIT "A"



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EXHIBIT "A"

244 KOMO MAI ST



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EXHIBIT "A"



EXHIBIT #2 - PROPERTY INFORMATION

Log In



Search

search

Layers

Map

Search

Sales Search

Sales List

Results

More

Parcel Information

Parcel Number 450370130000
Location Address 244 KOMO MAI ST
LAHAINA HI 96761
Neighborhood Code 4515-1
Legal Information LOT 50 KAHOMA RESIDENTIAL SUBDIVISION POR RP 2651,
Land Area 7446 Square Feet
Parcel Note

[View Map](#)

Owner Information

Owner Names

Fee Owner
Fee Owner

Mailing Address

244 KOMO MAI ST
LAHAINA HI 96761

Owner Name

Owner Type

Owner Address

Fee Owner

244 KOMO MAI ST, LAHAINA HI 96761

Fee Owner

Assessment Information

Year	Tax Class	Market Land Value	Agricultural Land Value	Assessed Land	Building Value	Total Assessed Value	Total Exemption Value	Total Net Taxable Value
2020	OWNER- OCCUPIED/HOMEOWNER	\$195,000	\$0	\$195,000	\$471,400	\$666,400	\$200,000	\$466,400

[How to calculate real property taxes](#)

Current Tax Bill Information

Tax Period	Description	Original Due Date	Taxes Assessment	Tax Credits	Net Tax	Penalty	Interest	Other	Amount Due
2020-2	Real Property Tax	02/22/2021	\$585.33	\$0.00	\$585.33	\$0.00	\$0.00	\$0.00	\$585.33
	Tax Bill with Interest computed through 11/30/2020		\$585.33	\$0.00	\$585.33	\$0.00	\$0.00	\$0.00	\$585.33

Historical Tax Information

Year	Tax	Payments and Credits	Penalty	Interest	Other	Amount Due
	\$1,170.66	(\$585.33)	\$0.00	\$0.00	\$0.00	\$585.33
	\$1,352.56	(\$1,352.56)	\$0.00	\$0.00	\$0.00	\$0.00
	\$1,329.24	(\$1,329.24)	\$0.00	\$0.00	\$0.00	\$0.00
	\$2,048.69	(\$2,048.69)	(\$55.40)	\$0.00	\$0.00	\$0.00

Click a year to see tax payment information for the year

Appeal Information

Year	Appeal Type Value	Scheduled Hearing Date <i>subject to change</i>	Status	Tax Payer Opinion of Value	Tax Payer Opinion of Exemptions	Tax Payer Opinion of Property Class	Date Settled	Final Value
2017	BOARD OF REVIEW (RA)		Stipulation	\$200,000	\$0		8/11/2017	\$200,000

Home Exemption Information

Homestead Information

Improvement Information

Building Number	1	Heating/Cooling	CENTRAL A/C
Style	Contemporary	Exterior Wall	MASONITE
Year Built	2017	Bedrooms/Full Bath/Half Bath	4/3/0
Eff Year Built		Roof Material	Composition Shingle
Percent Complete	100%	Fireplace	No
Living Area	1,874	Grade	4
Construction Type	Frame	Building Value	\$456,300

Sales Information

Sale Date	Price	Instrument Number	Instrument Type	Valid Sale or Other Reason	Document Type	Record Date	Land Court #	Land Court Cert
7/17/2017	\$666,425	A64490062A	Fee conveyance	Other	Warranty deed	8/28/2017		
1/13/2017	\$4,480,000	A62291020	Fee conveyance	Involved add'l parcels	Warranty deed	1/20/2017		

Permit Information

Date	Permit Number	Reason	Permit Amount
2/10/2017	B20170198	New res dwelling	\$246,200

[KIWA Permit Site](#)

EXHIBIT 3 - HOMEBUYER SELECTION POLICY & PROCEDURE



HOMEBUYER SELECTION POLICIES & PROCEDURES

I. OVERVIEW

This policy paper is intended to guide the development and implementation of both general and project-specific homebuyer selection procedures administered by the NHOM Community Land Trust. This policy shall be reviewed from time to time by the Selection Committee for effectiveness in guiding the NHOM Community Land Trust in the pursuit of its mission. This policy may be amended by a majority of the Board.

II. GOALS

The goals that these policies are intended to support are:

- a) To provide guidelines for evaluating applicants in a fair and equitable manner and to assure the evaluation process is transparent and made fully available to applicants.
- b) To assure continuity in selection criteria and policies;
- c) To assure that NHOM implements policies consistent with the laws and principles of fair housing.
- d) To find the best match between households and housing units that are the right price and the right size.

III. SELECTION CRITERIA

A. THRESHHOLD SELECTION CRITERIA

The following criteria reflect the NHOM Community Land Trust's goal to reasonably match household size to unit size and household income to housing costs. To qualify for a NHOM home, applicants must be:

1. Majority Age - must be 18 in Hawaii to qualify for a mortgage.
2. Citizen of USA or registered alien.
3. Income Eligible:
 - a) Maximum Income: To be considered for selection, a household must have a combined annual income which does not exceed one of the following: 80%, 120% or 140% of the HUD median income of households of equal size residing in Maui County or the median income for Hana, Lanai and Molokai, as adjusted by the Department of Housing and Human Services. The grant funding agency for the property determines the maximum income limit (e.g., County of Maui

Rev. 05/18/2016

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Affordable Housing Fund limits the program to households earning no more than 120% of area median income).

In addition households at any income level who:

1. Wish to place land which they own in the NHOM Community Land Trust, or
 2. Wish to undertake a sale-leaseback arrangement with the NHOM Community Land Trust, or
 3. Who agree to be bound by the NHOM Community Land Trust's resale restrictions.
- b) **Minimum Income:** To be considered for selection, a household's monthly income, when multiplied by the appropriate debt-to-income ratio, must be sufficient to support the housing costs for the housing opportunity in question. In general, households that require a cosigner in order to obtain a mortgage will not be considered.
- c) **Affordability** - (i.e., matching household income to housing cost). In general, affordable means that the monthly cost of occupying a particular housing unit does not exceed 35% of monthly household income, depending on the applicable lender's guidelines.
- d) **Assets** - To be considered for selection, a review of a household's financial resources and circumstances should clearly indicate a limited ability to compete successfully in the conventional housing market in Maui County. (e.g., The County of Maui Residential Workforce Housing Policy limits assets to 160% of the County's area median income as established by HUD, or as adjusted by the DHHC for Hana, Lanai and Molokai.)
4. **Creditworthiness:** In all cases, a household must be able to demonstrate a sense of ownership of its financial obligations, and a history of responsible effort to meet them. The household must be "pre-approved" by an institutional mortgage lender to determine whether mortgage financing is likely to be obtained by the household based on the applicant's available cash resources and the known requirements of various mortgage programs for which the household may be eligible, and have completed the NHOM 4-step qualification process.

B. SECONDARY SELECTION CRITERIA

The following considerations will be given weight in evaluating applicants. The considerations presented here, not necessarily in order of priority or importance will be considered in those instances when there are two or more households expressing interest in a particular unit and who meet the Threshold Eligibility Criteria outlined above.

1. **Residency:** Residents of the community within which the housing unit is located, residents of the county, and residents of the state - in this order. Length of residency will be considered.
2. **First-time homebuyers:** Defined as someone who has not owned a principal residence in the past three years; or a single parent who may have owned a home with a former spouse in the past three years but now no longer resides there.
3. **Appropriate Size:** (i.e. matching household size to unit size). In general, households consisting of the number of persons appropriate for the unit size will be given preference as follows:

Unit Size	Household Size
Studio	1 person
1 Bdrm	1-2 persons
2 Bdrm	1-3 persons
3 Bdrm	3-5 persons
4 Bdrm	4-6 persons
5 Bdrm	5-7 persons

4. **Need:** In general, the NHOM Community Land Trust will give consideration to the lower-income household. If households from different income categories are being reviewed for selection, the lowest income category household will be given preference. The NHOM Community Land Trust will give special consideration to households facing immediate or near-term displacement, especially if children are involved.
5. **Application on File:** Length of time which a household's application for home ownership has been on file.
6. **NHOM Community Land Trust Membership:** Length of membership in the NHOM Community Land Trust, and length of membership in other CLT's, in this order, will be considered. Involvement in the NHOM Community Land Trust's operation and general activities will also be considered. NHOM Homeowners who apply to purchase another NHOM home will be allowed to make their Purchase Contract contingent upon the sale of their existing home per the terms of Article 10 of the Ground Lease and Purchase Option. NHOM will not accept offers to purchase a NHOM home contingent upon the sale of a market rate home.
7. **Community involvement:** Residents having demonstrated involvement with and commitment to the community as evidenced by organizational memberships and/or participation in, support for, or sponsorship of non-profit, church, school or civic groups/events, etc.
8. **Heirs:** If "heir property" is sold to the NHOM Community Land Trust, any heir of the former owner(s) that meets the Threshold Eligibility Criteria outlined above, and who has properly filed a CLT homeownership application will be given special consideration.
9. **Additional Criteria:** On a project by project basis, additional secondary criteria may be applied such as occupation, location of employment and/or employment with a specific employer.

IV. APPLICATION PROCESS

This process is not necessarily sequential in nature, however each component of the process is essential to ensure that each of the NHOM Community Land Trust's prospective home buyers is fully informed as to the fundamental details and atypical nature of the NHOM Community Land Trust's real estate transaction (i.e., involving a leasehold interest in the land and restrictions imbedded in the ground lease agreement on the resale of the improvements located on the leased premises.)

A. OUTREACH & MARKETING

Applicant responds to project specific marketing or general community outreach by contacting NHOM or attending a NHOM Homebuyer Seminar and begins the 4-step Passport to Homeownership Program:

1. Attend a NHOM Community Land Trust orientation seminar.
2. Meet with a loan officer and obtain a "Pre-approval Letter."
3. Attend a HUD approved Homebuyer Financing Seminar.
4. Meet with NHOM's Housing Coordinator for a review of the ground lease and resale formula.

B. APPLICATION REVIEW

Applicant is provided with an application form and the forms required by the Department of Housing and Human Concerns, when applicable, to complete and return to NHOM Community Land Trust staff. Assistance with filling out application will be provided by staff on an as-needed basis. Application is reviewed by staff in comparison to established threshold and secondary criteria. Staff determines whether applicant is likely to qualify for currently available housing units (or for the general waiting list, as the case may be).

C. INTERVIEW

Staff and/or Selection Committee schedule and conduct personal interview with applicant household.

D. PRELIMINARY APPROVAL / DENIAL

Following mortgage "pre-approval", reference checks and verifications, Selection Committee may preliminarily approve or deny an application. Qualified individuals/households will be so notified and placed on a waiting list to participate in the selection process for particular housing opportunities, as they become available. Applicants that do not meet application criteria will be so notified in writing.

E. SELECTION PROCESS

The selection process for each housing opportunity may vary depending on the number of eligible and qualified persons on the waiting list relative to the number of housing opportunities available at a particular time. When the number of applicants exceeds the number of units available and the application of the secondary selection criteria does not favor one applicant, a lottery will be conducted. The selection process will be conducted according to the steps outlined in Section V below.

F. PURCHASE AND SALES CONTRACT / FORMAL MORTGAGE APPLICATION / ADVANCED ORIENTATION SESSION

The applicant and the NHOM Community Land Trust, and/or Seller, executes a purchase agreement. Applicant applies for mortgage financing. On a case by case basis assistance with completing application for mortgage financing may be available from the NHOM Community Land Trust Staff or a Selection Committee member. A detailed review of the NHOM Community Land Trust Land Lease and other legal documents associated with a particular transaction is scheduled with applicant.

G. MORTGAGE APPLICATION PROCESSING AND CLOSING

Applicant moves through the mortgage application and approval process.

H. INDEPENDENT LEGAL REVIEW

Applicant may retain, at applicant's expense, an attorney who reviews all the NHOM Community Land Trust legal documents on behalf of applicant and who provides independent advice and counsel regarding the transaction.

V. SELECTION PROCESS: once applicants have qualified and met all criteria, the selection process is as follows:

A. WHO MAKES THE DECISION

1. Regarding Homebuyer Selection -

a) Selection Committee - A Selection Committee shall be appointed by the Board of Directors, consisting of at least one staff person and two Directors of the Corporation. The Selection Committee shall make a recommendation to the Board of Directors for the selection of a primary and secondary Homebuyer from the qualified applicant pool.

b) Board of Directors - The Board of Directors will have final say as to whether an applicant meets the threshold and/or secondary criteria discussed herein, and the selection of a primary and secondary Homebuyer for any available unit.

2. Regarding Credit Risk and Overall Creditworthiness -

a) The mortgage underwriting guidelines of the lending programs available to the NHOM Community Land Trust's qualified home buyers shall be the deciding factors regarding credit risk and the overall creditworthiness of a particular applicant.

B. HOW IS THE DECISION MADE

1. Regarding Threshold and Secondary Eligibility Criteria -

a) Using the definitions found in Appendix 1 staff will review both project-specific applications and general interest applications to determine whether the Threshold Criteria outlined above have been met. Applicants to be selected will come from among those who meet all of the Threshold Eligibility Criteria.

b) Once this pool of applicants is used up, or if there are more eligible and qualified applicants than housing opportunities available, applications will be considered based on a review of the Secondary Selection Considerations.

2. Regarding Secondary Selection Considerations -

a) The Selection Committee may, at its discretion, and on a case by case basis, elect to either rank the Secondary Eligibility Criteria, or conduct a lottery among those eligible and qualified applicant households meeting one or more of the Secondary Selection Criteria

b) Staff will provide to the Selection Committee a summary of its findings along with each applicant's application.

3. Special Consideration -

If NHOM is offered the opportunity to acquire a property that is tenant occupied, the selection committee may, at its discretion, give preference to the tenant, if income qualified, in the selection process to acquire the property.

APPENDIX I – DEFINITIONS

The NHOM Community Land Trust has adopted the following definitions for the purposes of assessing affordability and monitoring its ability to achieve its goals. "Affordable" means that the monthly Housing Cost of a particular housing unit generally does not exceed 35% of household income. (See discussion of Housing Costs, defined below)

"Debt-to-Income Ratio" (DTI) means the maximum percentage of income which a particular

lender will allow a household to spend on Housing Costs.

"Household" means a person, or group of persons who occupy the same housing unit as their primary residence.

"Median Income" shall be as set forth in regulations promulgated from time to time by the United States Department of Housing and Urban Development (HUD) pursuant to 42 U.S.C. Sec. 1437 et seq., and adjusted by the County of Maui Department of Housing and Human Concerns for Hana, Lana'i and Moloka'i.

"Very Low Income" shall mean a household whose gross annual family income does not exceed 50% of the area median income for households residing in the statistical area within which the housing is located.

"Low Income" shall mean a household whose gross annual family income is more than 50%, but less than 80% of the Median Income for households residing in the statistical area within which the housing is located.

"Below Moderate Income" shall mean a household whose combined gross annual family income is more than 80%, but less than 100% of the Median Income for households residing in the statistical area within which the housing is located.

"Moderate Income" shall mean a household whose combined gross annual family income is more than 100%, but less than 120% of the Median Income for households residing in the statistical area within which the housing is located.

"Above Moderate Income" shall mean a household whose combined gross annual family income is more than 120%, but less than 140% of the Median Income for households residing in the statistical area within which the housing is located.

"Housing Cost": shall mean:

1. When measuring the affordability to a known household of a known unit size:

A. for **"Single-Family" Ownership**: the sum of the monthly payments due on

- the mortgage (principal & interest); plus
- the property taxes due on the property; plus
- the hazard insurance policy; plus
- the condominium or townhouse association fee, if applicable; plus
- the Ground Lease Fee, if applicable; plus
- the Private Mortgage Insurance (PMI), if applicable.

[NOTE: The debt-to-income ratios dictated by the underwriting guidelines for a particular mortgage program, if less than 35%, shall be controlling for the purpose of determining the maximum percentage of income allocable to these monthly Housing Costs.]

B. for Rental Housing: the sum of the monthly payments due on

- the rent; plus
- the utilities, if applicable.

C. for Cooperative Housing Regimes: the sum of the monthly payments due on

- the unit carrying charge; plus
- the share loan, if applicable; plus
- the utilities, if applicable.

2. When calculating the affordability of projected occupancy costs for a particular unit, (for example to determine or establish a purchase price or rent level), the NHOM Community Land Trust will make the following calculations:

- A. The controlling Debt-to-Income Ratio for households of the appropriate size will be determined if different than 35% (i.e. say the mortgage program's the DTI Ratio is 32%).
- B. Prevailing property tax assessments, insurance rates and condominium association fees, and PMI premiums, (as applicable) will be used to calculate Housing Cost.
- C. Prevailing average of interest rates for a 30 year fixed rate mortgage from the 3 major Hawaii banks will be used to calculate the maximum sales price of the home.
- D. The mortgage amount shall be assumed to be 95% of the sales price.

The amount resulting from these calculations will be the maximum purchase price considered to be affordable to the desired household income level.

Adjustment for Household Size - In those instances when measuring the affordability of an actual unit to a known household, the median income for a household of that size, as determined by HUD, will be controlling. In those instances when projecting affordability of a particular unit size to a targeted household income level, Adjustment for Household Size shall mean that the average median income of a one person and a two-person household will be used in determining whether a one-bedroom unit is affordable. Accordingly, the median income of a three- person household will be used in determining whether a two-bedroom unit is affordable. The average median income of a four person and a five-person household will be used in determining whether a three-bedroom unit is affordable. The median income of a six person household will be used in determining whether a four-bedroom unit is affordable. The average median income of a seven-person and an eight-person household will be used in determining whether a five-bedroom unit is affordable.

Exhibit 4 - NHOM Financials

Housing and Land Enterprise of Maui Budget Overview: 2020-2021 - FY21 P&L July 2020 - June 2021

	OPERATING	REHAB PROJECTS	NEW CONSTRUCTION	TOTAL BUDGET
Revenue				
5000 Proceeds from Sales of Houses	-	284,000.00	2,860,000.00	3,144,000.00
5001 10% Sale - Operating Reserve	-	-28,400.00	-286,000.00	-314,400.00
5002 10% Sale - Project Reserves	-	-28,400.00	-286,000.00	-314,400.00
5003 Proceeds-less Operating/Project Reserve	-	66,800.00	572,000.00	628,800.00
Total 5000 Proceeds from Sales of Houses	\$ 0.00	\$ 284,000.00	\$ 2,860,000.00	\$ 3,144,000.00
5200 Lease Fees	23,400.00	-	-	23,400.00
5400 Private Foundation Grant Income	20,000.00	-	-	20,000.00
5600 Membership Dues	1,030.00	-	-	1,030.00
5700 Individual & Bus Contributions	10,000.00	-	-	10,000.00
5701 Matching Downpayment Assistance Fund	50.00	-	-	50.00
5705 Golf Tournament Fundraising	50,000.00	-	-	50,000.00
5900 Interest	400.00	-	-	400.00
Total Revenue	\$ 104,880.00	\$ 284,000.00	\$ 2,860,000.00	\$ 3,248,880.00
Cost of Goods Sold				
50000 Rehabilitation Costs	-	20,000.00	-	20,000.00
50500 Kahoma Projects Completed- Costs	-	-	2,450,000.00	2,450,000.00
Total Cost of Goods Sold	\$ 0.00	\$ 20,000.00	\$ 2,450,000.00	\$ 2,470,000.00
Gross Profit	\$ 104,880.00	\$ 264,000.00	\$ 410,000.00	\$ 778,880.00
Expenditures				
7000 Payroll Expenses				
7100 Gross Wages				
7100A Executive Director	90,000.00	-	-	90,000.00
7100B Housing Coordinator	55,550.00	-	-	55,550.00
7100C Deputy Director	45,000.00	-	-	45,000.00
7100D Admin Assistant- Full Time	41,600.00	-	-	41,600.00
Total 7100 Gross Wages				\$ 232,150.00
7200 Payroll Taxes	34,800.00	-	-	34,800.00
7300 Employee Benefits				
7315 Workmens Compensation Ins	850.00	-	-	850.00
7325 Medical Insurance	32,000.00	-	-	32,000.00
7335 401(k) plan Employer Match	3,600.00	-	-	3,600.00
Total 7300 Employee Benefits				\$ 36,450.00
7400 Management Fee	4,125.00	-	-	4,125.00
Total 7000 Payroll Expenses				\$ 307,525.00
8000 License & Fees	1,000.00	-	-	1,000.00
8110 Accounting Fees	30,000.00	-	-	30,000.00
8112 Legal Fees	5,000.00	-	-	5,000.00
8139 Continuing Education	350.00	-	-	350.00
8140 Contract Services	10,000.00	-	-	10,000.00
8141 Website Expenses	750.00	-	-	750.00
8200 Facilities and Equipment				
8210 Depr and Amort - Allowable	5,900.00	-	-	5,900.00
8250 Utilities				
8251 Electric	2,100.00	-	-	2,100.00
8252 Water	800.00	-	-	800.00
Total 8250 Utilities				\$ 2,900.00
8260 Property Taxes	400.00	-	-	400.00
8290 Repairs & Maintenance Office	3,500.00	-	-	3,500.00
Total 8200 Facilities and Equipment				\$ 12,700.00

Housing and Land Enterprise of Maui
Budget Overview: 2020-2021 - FY21 P&L
July 2020 - June 2021

	OPERATING	REHAB PROJECTS	NEW CONSTRUCTION	TOTAL BUDGET
8300 Operations Expenses				
8310 Dues, Subscriptions, Reference	9,000.00	-	-	9,000.00
8320 Postage, Mailing Service	500.00	-	-	500.00
8350 Telephone, Telecommunications				
8351 Telephone / Internet / Cable	2,950.00	-	-	2,950.00
8355 Cell	1,900.00	-	-	1,900.00
Total 8350 Telephone, Telecommunications				\$ 4,850.00
8360 Meeting & Seminar Expenses				
8360A Venue Rental Fees	350.00	-	-	350.00
8360B Meeting Expenses	300.00	-	-	300.00
Total 8360 Meeting & Seminar Expenses				\$ 650.00
8371 Merchant Fees	1,500.00	-	-	1,500.00
8380 Advertising / Promotions	2,000.00	-	-	2,000.00
8390 Bank Service Charges	300.00	-	-	300.00
Total 8300 Operations Expenses				\$ 18,800.00
8341 Office Supplies & Expenses	3,000.00	-	-	3,000.00
8342 Software	300.00	-	-	300.00
8395 Mileage Reimbursements	3,000.00	-	-	3,000.00
8400 Insurance, Staff Develop, PR				
8410 Insurance				
8411 Directors and Officers Ins	1,250.00	-	-	1,250.00
8412 E & O Ins	5,120.00	-	-	5,120.00
8413 Liability Insurance	2,900.04	-	-	2,800.04
Total 8410 Insurance				\$ 9,270.04
8430 Staff Development	5,500.00	-	-	5,500.00
8450 General Excise Tax	3,000.00	-	-	3,000.00
Total 8400 Insurance, Staff Develop, PR				\$ 17,770.04
8500 Travel Expenses				
8500A Airfare	2,000.00	-	-	2,000.00
8500B Travel Meals	250.00	-	-	250.00
8500C Transportation Travel	350.00	-	-	350.00
Total 8500 Travel Expenses				\$ 2,600.00
Total Expenditures	\$ 412,795.04	\$ 0.00	\$ 0.00	\$ 412,795.04
Net Operating Revenue	\$ 307,915.04	\$ 264,000.00	\$ 410,000.00	\$ 366,084.96
Net Revenue	\$ 307,915.04	\$ 264,000.00	\$ 410,000.00	\$ 366,084.96

Monday, Jun 08, 2020 02:41:43 PM GMT-7 - Accrual Basis

Costs of Goods Sold excludes land and subsidies.

Approved: June 17, 2020

Housing and Land Enterprise of Maui

Balance Sheet

As of September 30, 2020

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
1000A Operating Accounts	
1001 BOH Operating Acct 3144	22,033.39
1002 BOH EFT Acct 3152	786.37
1015 Petty Cash	185.46
1026 Territorial Savings Bank	273,390.30
1027 American Savings Bank 9669	245,013.09
Total 1000A Operating Accounts	<u>\$ 541,408.61</u>
1000B Project Accounts	
1003 BOH Project Funds 9871	126,737.53
1012 CPB savings	245,016.75
1013 Home Street Checking 6318	244,276.27
1016 FHB Savings 5367	246,229.00
1017 Morgan Stanley	940,000.00
Total 1000B Project Accounts	<u>\$ 1,802,259.55</u>
Total Bank Accounts	<u>\$ 2,343,668.16</u>
Other Current Assets	
12100A Rehabilitation Projects	
12100B1 808 Apapane PI	301,899.04
Total 12100 Construction in Progress	<u>\$ 301,899.04</u>
12200 Ag Lots Project	15.00
Total 1280 Homebuyer Grant receivable	<u>\$ 105,424.00</u>
Total 1560 Prepaid Insurance	<u>\$ 5,737.44</u>
Total Other Current Assets	<u>\$ 413,075.48</u>
Total Current Assets	<u>\$ 2,756,658.74</u>
Fixed Assets	
1400 Land	6,425,098.77
1405 Fixed Assets Dep	
Total 1405A Buildings	<u>\$ 278,307.20</u>
Total Fixed Assets	<u>\$ 6,648,421.19</u>
TOTAL ASSETS	<u>\$ 9,405,079.93</u>

LIABILITIES AND EQUITY**Liabilities****Current Liabilities****Accounts Payable**

2001 Accounts Payable	1,886.96
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Total Accounts Payable	\$ 1,886.96
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Credit Cards

2076 Visa Community Card	1,765.66
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Total Credit Cards	\$ 1,765.66
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Total Other Current Liabilities	\$ 586,404.60
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Total Current Liabilities	\$ 590,057.22
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Total Liabilities	\$ 690,057.22
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Equity

Total Equity	\$ 8,815,022.71
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TOTAL LIABILITIES AND EQUITY	\$ 9,405,079.93
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Housing and Land Enterprise of Maui
Budget vs. Actuals: 2020-2021 - FY21 P&L
 July - September, 2020

	Actual	Total Budget	% of Budget
Revenue			
5000 Proceeds from Sales of Houses	2,880,000.00	3,144,000.00	90.97%
5200 Lease Fees	5,654.20	5,850.00	96.65%
5400 Private Foundation Grant Income		20,000.00	0.00%
5600 Membership Dues	72.00	1,030.00	6.99%
6700 Individual & Bus Contributions	11,770.28	10,000.00	117.70%
5701 Matching Downpayment Assistance Fund		50.00	0.00%
5705 Golf Tournament Fundraising		50,000.00	0.00%
5900 Interest	153.28	400.00	38.32%
Total Revenue	\$ 2,877,849.76	\$ 3,231,330.00	89.05%
Cost of Goods Sold			
50000 Rehabilitation Costs	10.00	20,000.00	0.05%
50500 Kahoma Projects COGS Homes Sold	2,505,458.20	2,450,000.00	102.26%
Total Cost of Goods Sold	\$ 2,505,468.20	\$ 2,470,000.00	101.44%
Gross Profit	\$ 372,181.56	\$ 761,330.00	48.89%
Expenditures			
7000 Payroll Expenses	56,082.25	76,888.67	72.94%
8000 License & Fees	1,011.00	250.03	404.35%
8110 Accounting Fees	6,296.83	7,500.00	83.96%
8112 Legal Fees		5,000.00	0.00%
8139 Continuing Education		350.00	0.00%
8140 Contract Services		10,000.00	0.00%
8141 Website Expenses		750.00	0.00%
8200 Facilities and Equipment	3,961.24	6,099.94	64.94%
8300 Operations Expenses	3,739.38	14,787.53	25.29%
8340 Project Grant Supplies	28.08		
8341 Office Supplies & Expenses	321.76	3,000.00	10.73%
8342 Software		300.00	0.00%
8395 Mileage Reimbursements	88.56	3,000.00	2.95%
8400 Insurance, Staff Develop, PR	2,642.56	10,817.45	24.43%
8500 Travel Expenses		2,600.00	0.00%
Total Expenditures	\$ 74,171.68	\$ 141,343.62	52.48%
Net Operating Revenue	\$ 298,009.90	\$ 619,986.38	48.07%
Net Revenue	\$ 298,009.90	\$ 619,986.38	48.07%

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EXHIBIT 5 - NA HALE O MAUI BOARD OF DIRECTORS



2020 – 2021 BOARD OF DIRECTORS

Dave Ward, President

Dave DeLeon, Vice President, Secretary

Ka'imi Judd, Treasurer

Cheryl Rietz, Director

Jamie Emberson, Director

Michael Trotto, Director

Christine Estomo, Homeowner – Director

Carrie DeMott, Homeowner – Director

Lavy Sisouvong, Homeowner - Director

STAFF

Cassandra J. Leolani Abdul, Executive Director

Natalie Fitzgerald, Housing Coordinator

Mary Walker, Administrative Assistant

EXHIBIT "A"

EXHIBIT 6 - SELECT LIST OF NHOM ACTIVITIES AFTER ACQUISITION

Broad categories of select tasks undertaken after acquisition of single-family residence:

- Secure property**
- Install lockbox**
- Set up yard maintenance**
- Transfer utilities to NHOM account (water, power, HOA)**
- Notify Insurer. Place insurance – casualty, builder's risk/course of construction, liability, etc.**
- Professional Property Inspection**
- Physical inspection to determine scope of rehabilitation**
- Contractor Bids**
- Verify contractor license status**
- Review Insurance Certificate**
- Select Contractor**
- Oversee Rehabilitation**
- Periodic inspections**
- Periodic contractor meetings**
- Change orders as needed**
- Periodic payment to contractor, per contract agreement**
- Lien Release**
- Final payment to contractor.**

- Order appraisal**
- Create Marketing Flyer**
- Notification of 4-Step Qualified Buyers**
- Show home**
- Interested buyer submit Statement of Interest**
- Review Lender Pre-approval letter for sale price**
- Meet with individual buyers to qualify for purchase**
- Prepare for and schedule Homebuyer Selection Committee**
- Blind selection based on primary + 9 secondary criteria**
- Contact selected buyer to schedule meeting**
- Contact back-up buyer**
- Contact non-selected buyers**

- Draft Purchase Contract, Exhibits & Addenda**
- Meet with selected buyer to review Purchase Contract**
- Selected buyer keeps Purchase Contract overnight to decide to proceed**
- Accept signed Purchase Contract & Initial Deposit**
- Obtain Board Approval and Resolution**
- Obtain Escrow Number**
- Open Escrow**
- Complete Seller's Disclosure Statement**
- Review preliminary title report**

EXHIBIT "A"

Draft and obtain signatures for contingencies as they are met/accepted/declined
Track Escrow through closing
Track Loan process through final approval
Review and approve request for Down Payment Assistance Grant
Draft Ground Lease & Option to Purchase, Exhibits, Addenda
Draft Matching Down Payment Assistance Grant when needed
Review and approve Lessee insurance coverage
Review Deed
Review Closing Statements
Coordinate closing
Sign documents
Verify closing
Deliver keys to new homeowner & family
Pick up closing documents & sales proceeds
Process and deposit to appropriate accounts.

This list does not include all tasks undertaken after acquisition of property

EXHIBIT "A"

ORDINANCE NO. _____

BILL NO. _____ (2020)

A BILL FOR AN ORDINANCE AMENDING APPENDIX A
OF THE FISCAL YEAR 2021 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES –
SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2021,
AFFORDABLE HOUSING FUND (KAHOMA RESIDENTIAL SUBDIVISION)

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

SECTION 1. Ordinance No. 5099, Bill No. 64 (2020), Draft 1, as amended, "Fiscal Year 2021 Budget", Appendix A, Part II, Special Purpose Revenues – Schedule of Revolving/Special Funds for Fiscal Year 2021, is hereby amended as it pertains to the Affordable Housing Fund, by adding a proviso for \$707,258 for the Kahoma Residential Subdivision, to read as follows:

**"II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL
FUNDS FOR FISCAL YEAR 2021**

	<u>ESTIMATED BALANCE AS OF 6/30/2020</u>	<u>ANTICIPATED REVENUES FOR FY 2021</u>	<u>TOTAL FOR FY 2021</u>
L. Affordable Housing Fund (Section 9-20, Revised Charter of the County of Maui (1983), as amended; Chapter 3.35, Maui County Code)	26,298,355	15,037,010	41,335,365
(1) Up to \$70,000 must be for Administrative Expenses.			
(2) Up to \$2,000,000 must be for planning, design, engineering, construction, and construction related to the Lanai Affordable Housing Project.			
(3) Up to \$4,000,000 must be for Hale Mahaolu for the acquisition of the Lokenani Hale affordable senior rental housing units. The 62 one-bedroom, one-bath units will include four units at or below 30 percent of the AMI, 57 units at or below 50 percent of the AMI, and one unit for an on-site property manager. The affordability period is in perpetuity.			
(4) Up to \$1,508,558 must be for Ikaika Ohana for the acquisition, planning and design, and professional services for the Kaiaulu O Halelea project, TMK: (2) 2-2-024:033, located at Lipoa Parkway, Kihei, Maui,			

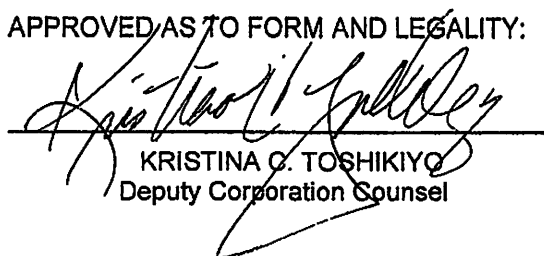
Hawaii. The 64-unit multifamily rental project will include 14 units at or below 40 percent of the AMI, 49 units at or below 60 percent of the AMI, and one unit for an on-site property manager. The affordability period is 65 years.

- (5) Up to \$4,300,000 must be for Liloa Senior Housing, LP for the planning, design, and construction for the Liloa Hale project, TMK: (2) 2-2-002:072, located at Welakahao Road, Kihei, Maui, Hawaii. The 150-unit multifamily senior rental project will include 11 units at or below 30 percent of the AMI, 138 units at or below 60 percent of the AMI, and one unit for an on-site property manager. The affordability period is 60 years.
- (6) Up to \$900,000 must be for Aloha House for the acquisition of two separate residential buildings to be used as special needs, long-term housing for substance abuse treatment, to serve 16 individuals at or below 50 percent of the AMI. The affordability period is in perpetuity.
- (7) Up to \$3,000,000 must be for the acquisition and renovation of an existing building and property at 95 South Kane Street, Kahului, Maui, Hawaii, to provide additional shelter beds.
- (8) Up to \$707,258 must be for the acquisition of real property at the Kahoma Residential Subdivision for the residential workforce housing unit buy-back of TMK (2)4-5-037-013, located at 244 Komo Mai Street, Lahaina, HI 96761.

SECTION 2. New material is underscored.

SECTION 3. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



KRISTINA C. TOSHIKIYO
Deputy Corporation Counsel