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**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

September 24, 2021

Director of Council Services  
Traci N. T. Fujita, Esq.  
Deputy Director of Council Services  
David M. Raatz, Jr., Esq.

RECEIVED  
2021 SEP 24 AM 10:45  
OFFICE OF THE  
COUNTY CLERK

The Honorable Alice L. Lee  
Council Chair  
County of Maui  
Wailuku, Hawaii 96793

Dear Chair Lee:

SUBJECT: **HOMEOWNER ASSISTANCE FUND PROGRAM FOR  
MORTGAGE RELIEF AND ASSISTANCE TO MAUI  
COUNTY HOMEOWNERS IMPACTED BY THE  
COVID-19 PANDEMIC (PAF 21-272)**

May I request the attached proposed resolution, entitled "URGING THE STATE TO IMPLEMENT THE HOMEOWNER ASSISTANCE FUND PROGRAM FOR MORTGAGE RELIEF AND ASSISTANCE TO MAUI COUNTY HOMEOWNERS IMPACTED BY THE COVID-19 PANDEMIC," be placed on the next Council meeting agenda.

Sincerely,

A handwritten signature in black ink that reads "Yuki Lei Sugimura".

YUKI LEI K. SUGIMURA  
Councilmember

paf:ans:21-272b

Enclosure

COUNTY COMMUNICATION NO. 21-411

# Resolution

No. \_\_\_\_\_

## URGING THE STATE TO IMPLEMENT THE HOMEOWNER ASSISTANCE FUND PROGRAM FOR MORTGAGE RELIEF AND ASSISTANCE TO MAUI COUNTY HOMEOWNERS IMPACTED BY THE COVID-19 PANDEMIC

WHEREAS, the COVID-19 pandemic continues to cause widespread and lasting damage to the local economy, including devastating losses in businesses, jobs, and income; and

WHEREAS, recent studies report Hawai'i's economy as one of the three states most affected by the pandemic, based on key metrics including share of employment from small businesses, employment from highly affected industries, share of gross domestic product generated by highly affected industries, and rate of unemployment insurance claims; and

WHEREAS, Maui County's unemployment rate was at 1.7 percent in February 2020 and rose to over 30 percent last year; and

WHEREAS, Maui County's unemployment rate is down to 8.5 percent at last report, but that is still more than four times higher than the pre-pandemic rate; and

WHEREAS, the economic shutdown in 2020 resulted in a statewide loss of about 150,000 jobs, of which less than half had returned as of April 2021, according to the State Department of Business, Economic Development, and Tourism ("DBEDT"); and

WHEREAS, DBEDT reported Maui County lost about 37 percent of its jobs and remains nearly 20 percent below baseline today; and

WHEREAS, coupled with the high cost of living, the pandemic exacerbated an already critical situation for residents who struggle to afford their rent and mortgage payments; and

WHEREAS, despite federal intervention and rising home values, many homeowners facing economic hardships due to COVID-19 impacts are on the brink of losing their homes; and

## **Resolution No. \_\_\_\_\_**

WHEREAS, Hawai'i is listed in the top five states for non-current home loans, with approximately 5,000 households delinquent and 12,000 households in forbearance, and Maui County having the highest rate of forbearance in the State at 10.2 percent; and

WHEREAS, DBEDT reports that of the 1,115 home loans managed by or in partnership with the Department of Hawaiian Home Lands, 41 percent were at least 30 days delinquent as of May 2021; and

WHEREAS, through the American Rescue Plan Act of 2021, the State of Hawai'i will receive \$50 million in Homeowner Assistance Fund ("HAF") funding for families behind on their mortgages or already in foreclosure due to the pandemic; and

WHEREAS, HAF funds can be used for mortgage payments, property taxes, utilities, homeowners' association fees, insurance premiums, or other payments needed to help families stay in their homes; and

WHEREAS, the State of Hawai'i is to provide the HAF funds to the counties, and the counties are to contract with nonprofit organizations to make the funds available to eligible homeowners; and

WHEREAS, at least 60 percent of the HAF funds must go to households at or below 100 percent area median income ("AMI"); and

WHEREAS, according to DBEDT, 32 percent of mortgaged households in the State earn below 100 percent AMI, and 17 percent have five or more people living in them; and

WHEREAS, the State Hawai'i Housing Finance and Development Corporation ("HHFDC") submitted a plan to receive the HAF funds in August 2021 and, if the plan is approved, will work with the counties to implement the HAF program; and

WHEREAS, HHFDC proposed to allocate 16.3 percent of the \$50 million in HAF funds, or \$8,113,325, to Maui County, with target communities identified as Ha'ikū, Kahului, Kaunakakai, Kihei, Kula, Lāhainā, Makawao, Pā'ia, and Wailuku; and

## **Resolution No. \_\_\_\_\_**

WHEREAS, Hawaii County and Kauai County will be launching pilot HAF programs by the end of the year, but no plans have been announced for Maui County, despite the proposed allocation and demonstrated need in our community; now, therefore,

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

1. That it urges the State of Hawai'i—including the State Department of Business, Economic Development, and Tourism and the Hawai'i Housing Finance and Development Corporation—to immediately establish the Homeowner Assistance Fund program in Maui County for mortgage relief and assistance to homeowners impacted by the COVID-19 pandemic;
2. That it encourages the Department of Housing and Human Concerns and other appropriate County agencies to actively engage with the Hawai'i Housing Finance and Development Corporation and nonprofit and community organizations to identify and prepare for opportunities for implementing the Homeowner Assistance Fund program in Maui County; and
3. That certified copies of this resolution be transmitted to the Honorable David Y. Ige, Governor, State of Hawai'i; Craig Hirai, Director of Finance, State of Hawai'i; Mike McCartney, Director, State Department of Business, Economic Development and Tourism; Denise Matsubara, Executive Director, State Hawai'i Housing Finance and Development Corporation; the Honorable Ronald D. Kouchi, President, State Senate; the Honorable Scott K. Saiki; Maui County's delegation to the Hawai'i State Legislature; and the Honorable Michael P. Victorino, Mayor, County of Maui.