




Department of Housing & Human Concerns

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Agenda

- Housing Division Overview
 - How Does Housing Get Built?
 - Housing Need
 - General Projections for West Maui
 - Barriers to Housing
- 

Housing Division's Mission

For Maui County citizens to have *access to affordable housing of choice* by creating affordable housing opportunities through:

- Developing long-term rental housing units
- Increasing availability of homeownership opportunities
- Developing special needs housing with appropriate support services
- Assisting lower income persons to secure affordable, safe and sanitary housing

Housing Division Operations

WHAT WE DO:

- Monitor Chapter 2.96, MCC (Residential Workforce Housing Policy)
- Monitor Chapter 2.97, MCC (RWFH Policy Incentives & Exemptions)
- Monitor projects under 201H-038 HRS
- Promote Fair Housing Practices
- Monitor management of County Owned Rental Projects
- Monitor County Grant Programs:
 - Hale Mahaolu's Homeowners & Housing Counseling Program
 - Rental Assistance Program

WHO WE ARE:

- 25 Full-Time Employees
 - 8 Housing Administration
 - 17 Section 8 Program

Housing Programs

- Affordable Housing Fund (Maui County Code 3.35)
 - 2% of the certified real property tax revenues (4% in FY2020)
 - Targets residents of very low to gap income: 50% - 140% AMI
- National Housing Trust Fund Program
 - \$1.5 million every three years (PY2020 / FY2021 – will receive \$2.7M)
 - Rental developments 30% and below AMI
- HOME Investment Partnership Program (PY2020 / FY2021)
 - \$3 million every three years (80% and below AMI)
- First Time Home Buyers Program
 - \$2M allocated in FY2019 and FY2020
- Section 8 Housing Choice Voucher Program
 - 1,464 Vouchers, \$25.8 million in HUD Funds for FY2020

How Does Housing Get Built?

Housing Division's Role:

Work with Developers to Facilitate Projects

Oversee/Administer MCC Associated with Workforce Housing
Grant Funding for Construction/Rehabilitation

We do not (generally) develop housing stock ourselves

How Does Housing Get Built?

Who Develops?

Private For-Profit and Non-Profit Developers

required to build a percentage of workforce housing

Residential Workforce Policies

2.96, MCC – 25% Affordable Housing Component

2.97, MCC – 100% Affordable Housing Component

201H-038 HRS - >50% Affordable Housing Component

Maui County Code 2.96

Intent:

- “To ensure that the housing needs of the County are addressed”
- “To encourage the provision & maintenance of residential workforce housing units for both purchase and rental”



Maui County Code 2.96

Maui County's "Inclusionary Zoning" Policy
Typically Used if the Land is Properly Entitled
Requirements are triggered:

- with the creation/conversion of 10 or more new dwelling units, lots, lodging units, time share units, hotel expansions

Requires that the developer provide the equivalent of:

- 25% of the # of market units for the workforce
- If they create more workforce units, they can get credits

Maui County Code 2.97

Intent:

- “The purpose of this chapter is to establish a process by which developers of 100 percent workforce housing projects may seek fast track development of their project by applying for county exemptions from this code.”



Maui County Code 2.97

Passed by Council in late 2018, Ordinance 4941:

- Very similar to HRS 201H-38
- Provides incentives for builders of 100% affordable projects
- Requires a decision within 60 days once the application is in Council's hands
- No projects submitted as yet, however 2 are pending

201H – 038 Hawaii Revised Statutes

- State of Hawaii's Fast-Track Process
- Allows Council to grant exemptions from statutes, ordinances, charter provisions, and rules of any government agency relating to:
 - Planning related requirement (zoning, MIP, community plans)
 - Construction standards that do not compromise health and safety of public
 - Fees – which can save thousands per unit
- County Council shall approve, approve with modification, or disapprove the project by resolution within forty-five days

County-wide Housing Need = 14,000 Units?

How do we know?

- Hawaii Housing Planning Study
 - 2016 HHPS
 - Maui County needs to build 13,949 units between 2015 – 2025
 - 1,395 units/year
 - Study is currently being updated
- 13,949 units are not generic units
 - Not just any housing, we need specific housing (HCPO-Keep Calm and Plan On)
 - Very specific AMI targets (Maui County area median income = \$83,800)

County-wide 2016 HHPS - 13,949 Units = ?

AMI	INCOME	NUMBER	PERCENT	
141% + Market/Luxury	> \$117,320	1,301	9%	
101 - 140%	> \$83,800 - \$117,320	2,306	17%	Civil Engineers, Registered Nurses, Physical Therapists, Physician Assistants, Electrical Engineers
81 – 100%	> \$67,040 – \$83,800	813	6%	Loan Officers, Electricians, Real Estate Agents, Chefs/Head Cooks, Dental Hygienist
51 – 81%	>\$41,900 – \$67,040	3,807	28%	Lifeguards, LPNs, Mechanics, Plumbers, Elementary and Middle School Teachers, Waiters/Waitresses,
31 – 50%	> \$25,140 - \$41,900	2,775	19%	Home Health Aides, Teacher Assistants, Preschool Teachers, Nursing Assistants
< 30%	< \$25,140	2,947	21%	Childcare Worker, Personnel Care Aides, Fast Food Workers, Seniors, Persons with Disabilities
TOTAL		13,949	100%	

West Maui Statistics

Currently 13,318 Housing Units in West Maui
(12% increase since 2010)

8,742 Households (1.7% increase since 2010)

Sales Trends

28.9% sold to Local Residents

62.7% sold to Mainlanders

8.4% sold to Foreigners

West Maui Housing Trends

- Occupancy
 - 31% Owner Occupied
 - 35% Renter Occupied
 - 34% Vacant
 - Vacant for sale, vacant for-rent, second and occasional use

West Maui Housing Needs

- 2016 HHPS does not break out West Maui specifically
- West Maui Community Plan Technical Paper
 - Forecasts a need for 330 units / year (including non-resident demand)
- 5,288 units 2019 – 2040 in the Housing Technical Paper
- Est. 3,300 units 2015-2025 for 2016 HHPS #'s

West Maui Units Needed = 3,300 / 5,288

AMI	INCOME	PERCENT	HHPS (est)	TECH PAPER	
141% + Market/Luxury	> \$117,320	9%	297	476	
101 - 140%	> \$83,800 - \$117,320	17%	561	899	Civil Engineers, Registered Nurses, Physical Therapists, Physician Assistants, Electrical Engineers
81 – 100%	> \$67,040 – \$83,800	6%	198	317	Loan Officers, Electricians, Real Estate Agents, Chefs/Head Cooks, Dental Hygienist
51 – 80%	>\$41,900 – \$67,040	28%	924	1,481	Lifeguards, LPNs, Mechanics, Plumbers, Elementary and Middle School Teachers, Waiters/Waitresses,
31 – 50%	> \$25,140 - \$41,900	19%	627	1,005	Home Health Aides, Teacher Assistants, Preschool Teachers, Nursing Assistants
< 30%	< \$25,140	21%	693	1,110	Childcare Worker, Personnel Care Aides, Fast Food Workers, Seniors, Persons with Disabilities
TOTAL		100%	3,300	5,288	

West Maui Housing –Under Construction

For Sale:

- 555 units in production
 - 265 workforce units (80-140% AMI)
 - 290 market units

Rentals:

- 0 units

PENDING PROJECT NAME	DISTRICT STATUS	PROCESS	COUNTY Ordinance/ Reso No.	EFFECTIVE Date Resolution Adopted or Ordinance	RENTAL OR FOR SALE	TOTAL UNITS	Affordable Units Required
Kaiaulu O Kupuohi Developer: Ikaika Ohana	West Maui/Lahaina	2.96, MCC	n/a	pending	Rental	89	89
Keawe Street Apartments Developer: Ikaika Ohana	West Maui/Lahaina	201H-038	n/a	pending	Rental	200	200
Makila Farms Workforce Ag Community Developer: Greg Brown	West Maui/Launiupoko	201H-038	19-169	10/4/2019	For Sale	34	19
Pulelehua (includes all phases) Developer: Maui Oceanview, LP	West Maui / Lahaina	CIZ	3888/3889	11/1/2011	For Sale/Rental	900	280

UNIT STATUS	NUMBER
Total Units Under Construction	555
Total Units Pending Action (5-10 years)	1,223
Total West Side Units	1,778

West Maui Housing – Pending Action

For Sale:

- 134 units (Pulelehua 100/Makila 34)
 - 19 units affordable/workforce (50-100% AMI)
 - 115 market units

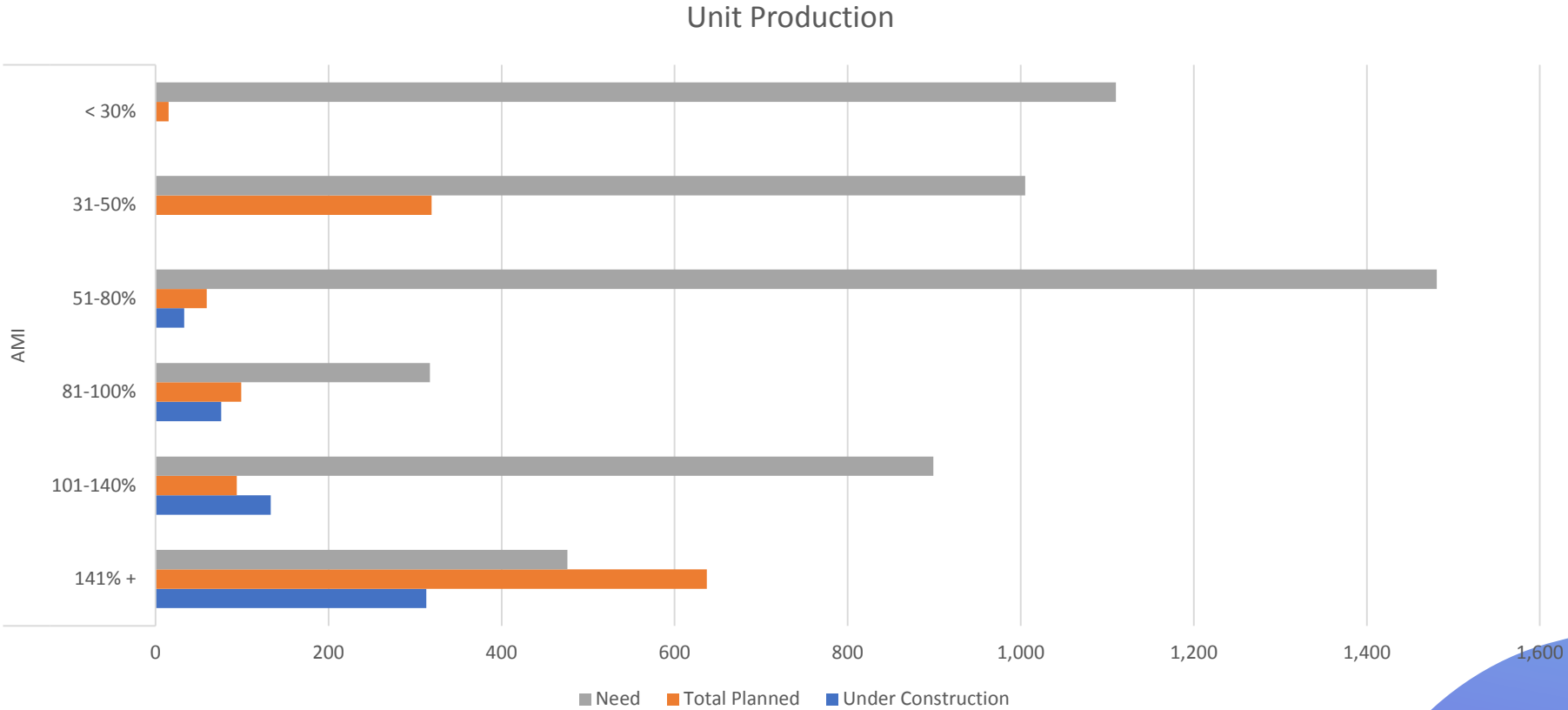
Rentals:

- 1,089 units (incl 800 Pulelehua over many years)
 - 382 Low and very-low income (<80% AMI \$67,040/yr)
 - 93 below-moderate income(81-100% AMI \$83,800/yr)
 - 94 moderate-income (101-120% AMI \$100,560/yr)
 - 520 market units

West Maui Units – What Are We Building?

AMI	INCOME	UNDER CONSTRUCTION	IN PLANNING	TOTAL	NEED: WEST MAUI TECH PAPER	OVER (SHORT)
141% + Market/Luxury Units	> \$117,320	313	637	950	476	474
101 - 140%	> \$83,800 - \$117,320	133	94	227	899	(672)
81 – 100%	> \$67,040 – \$83,800	76	99	175	317	(142)
51 – 81%	>\$41,900 – \$67,040	33	59	92	1,481	(1,389)
31 – 50%	> \$25,140 - \$41,900	0	319	319	1,005	(686)
< 30%	< \$25,140	0	15	15	1,110	(1,095)
TOTAL		555	1223	1,778	5,288	

West Maui Projection (today)



Other Project Possibilities – Long Term

- Villages of Leilii
 - Phase A - 2,601 units (1,301 affordable / workforce units)
 - Phase B - 1,504 units (752 affordable / workforce units)
- Puukolii Village (Pioneer Mill)
 - 1,600 units

Final Thoughts

We need housing at all AMI levels

- > 141% Market/Luxury:
 - The market will produce enough market homes to meet demand
 - NOTE: These are the units that pay for the < 100% AMI units
- 81-140%
 - West Maui is projected to produce only 33% of the units needed
- < 80% AMI
 - West Maui is projected to produce less than 12% of the units needed
 - Require financial subsidy (LIHTC, RHRF, AHF, HOME, HTF)

Barriers to Housing

Geographic (we're an island):

- Limited supply of developable land
- Appropriately zoned, at a reasonable

Lack of Major Off-Site Infrastructure

- Roads, sewers, water, drainage and schools
- Responsibility has shifted from government to developer

Barriers to Housing

Construction Cost

- Most significant - unionization, local wages, topography, and regulation (growing - litigation and insurance)

Government Regulation

- Regulatory requirements
 - Hawaii is more regulated than any other state
- Review processes (and multiple reviews)
- Land use

Financing

- Projects serving <80% AMI require subsidy

Mahalo!

