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COUNTY COUNCIL
COUNTY OF MAUI
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September 28, 2026

Mr. Patrick Gartside, Chair
Statewide Independent Living Council of Hawaii
643 Ilalo Street
Honolulu, Hawai'i 96813

Via email: info@hawaiiisilc.org

Dear Mr. Gartside:

**SUBJECT: AMENDING THE RESIDENTIAL WORKFORCE
HOUSING POLICY TO REQUIRE A PERCENTAGE OF
WORKFORCE HOUSING UNITS BE SET ASIDE FOR
DISABLED PERSONS (PAF 26-016)**

As a member of the Maui County Council, I am drafting a proposed ordinance to require a percentage of Maui County's workforce housing be set aside for disabled persons. I would like the Statewide Independent Living Council of Hawaii's input on the current draft.

I am particularly interested in hearing what percentage of units SILC deems appropriate to meet the foreseeable needs of the disabled community.

May I request that you review the attached draft bill and provide me with comments, including any proposed revisions, to ellen.mckinley@mauicounty.us and county.council@mauicounty.us by **October 13, 2026**. To ensure efficient processing, please include the PAF number in the subject line.

If you have questions, please contact me or Legislative Analyst Ellen McKinley at ext. 7661.

Sincerely,

A handwritten signature in black ink, appearing to be "K. Batangan", is written over the printed name and title.

KAUANOE BATANGAN
Councilmember

ORDINANCE NO. _____

BILL NO. _____ (2026)

A BILL FOR AN ORDINANCE AMENDING THE RESIDENTIAL WORKFORCE
HOUSING POLICY TO REQUIRE A PERCENTAGE OF WORKFORCE HOUSING
UNITS BE SET ASIDE FOR DISABLED PERSONS

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

SECTION 1. This Ordinance’s purpose is to require a percentage of Residential Workforce Housing units be set aside for disabled persons. The Council recognizes that disabled persons have special housing needs and are part of a special housing target group defined in Section 2.96.020, Maui County Code. Disabled persons make up about twelve percent of Maui’s population, and the percentage is growing. The Council recognizes the Maui Island Plan’s implementing action 5.1.5-Action 2: “Create or assist in creating programs that provide affordable housing to . . . the disabled. . . .”

Federal law requires multifamily housing projects receiving federal funds to set aside at least five percent of the total dwelling units, or at least one unit in a multifamily housing project, whichever is greater, to be made accessible for persons with mobility impairments. In addition, at least two percent of the units (but not less than one unit) in projects receiving federal funding must be accessible for persons with hearing or vision impairments.

The County may require a higher percentage of multifamily residential workforce housing units to be set aside for disabled persons than required under federal law, for projects receiving federal, state, or county funds.

SECTION 2. Section 2.96.090, Maui County Code, is amended by amending Section D to read as follows:

“D. Selection priority.

1. Fifteen percent of workforce housing units required by this subsection for projects receiving federal, state or county funds must first be offered to disabled residents on the wait list. Residents on the wait list, regardless of their status as a disabled person, will receive ~~[first]~~ second priority for the available units. The County will have ~~[second]~~ third priority for available units under paragraph 4. Nonresidents on the wait list may purchase a residential workforce housing unit once the wait list has been exhausted of all residents and the County’s ~~[90 days]~~ 90-day period has expired.
2. The developer or its representative may do a mass mailing of housing applications to applicants on the project wait list.
3. The residential workforce housing units must be offered to residents in the order ~~[in which]~~ their names were drawn in the lottery, if there is a unit available in the income group for which they qualify. To the extent permitted by law, the resident applicants selected by lottery must be ranked by the total length of time each has been a resident of the County, and the workforce housing units must be offered in the order of the rankings. Once the wait list has been exhausted of all residents, units must be offered to the County under paragraph 4. Following the County’s 90-day period, nonresidents will be offered residential workforce housing units in the order ~~[in which]~~ their names were drawn in the lottery.
4. If units are not sold to residents within the first 90 days after they are offered for sale, and the developer has made a good-faith effort, as determined by the director, to contact and qualify applicants on the wait list, the sale of remaining units must be conducted as follows:
 - a. For the next 90-day period, units must be offered for sale to the next higher resident

- income preference group at the original sales price. For example, units targeted for families earning up to 120 percent of the median income may be sold to families earning up to 140 percent of the median income. All other eligibility criteria apply.
- b. Units must be offered to the next higher resident income group every 90 days until the units are sold or there are no more resident income groups available.
 - c. Units must then be offered for sale to the County for 90 days.
 - d. If the County does not provide written notification to the developer of its intent to purchase all units offered to the County within 90 days, the remaining units must then be offered to nonresidents on the wait list in the order [in which] their names were drawn in the lottery, for the next 90-day period, if the applicant's income is within the residential workforce housing income groups.
 - e. Any units that remain unsold may be offered at market rate without deed restrictions. Upon the sale of the unit, the County must receive 50 percent of the difference between the original sales price of the unit and the actual market rate sales price, for deposit into the affordable housing fund. In this event, the developer will have satisfied the requirement for producing a residential workforce housing unit.
5. Except when the County is the buyer, the developer or its representative must submit copies of the following documents to the department to verify the sale of residential workforce housing units to eligible buyers:
- a. Applicant's completed ownership application[.] including an attestation as to the applicant's status as a disabled person.
 - b. Executed sales contract.
 - c. Pre-qualification notice from the lender.
 - d. All signed federal and state tax returns used to determine eligibility or other

- documents used to determine eligibility by the lender.
- e. Escrow company's settlement statement."

SECTION 3. Section 2.96.100, Maui County Code, is amended by amending Subsection D to read as follows:

"D. Selection [Priority.] priority.

1. Fifteen percent of workforce housing units required by this subsection for projects receiving federal, state or county funds must first be offered to disabled residents on the wait list. Residents on the wait list [shall], regardless of their status as a disabled person, must receive [first] second priority for the available units. Nonresidents on the wait list may rent a residential workforce housing unit once the wait list has been exhausted of all residents.
2. The developer[, its partner,] or its [management company] representative may do a mass mailing of housing applications to applicants on the wait list.
3. The residential workforce housing units [shall] must be offered to residents in the order [in which] their names were drawn in the lottery, [provided that] if there is a unit available in the income group for which they qualify. Nonresidents will be offered residential workforce housing units in the order [in which] their names were drawn in the lottery, [provided that] if there is a unit available in the income group for which they qualify.
4. The developer[, its partner,] or its [management company shall] representative must submit copies of the following information to the department to verify the rental of residential workforce housing units to eligible renters:
 - a. Applicant's completed final rental application[;] including an attestation as to the applicant's status as a disabled person.
 - b. Executed rental lease[; and].
 - c. All signed federal and state tax returns [used to determine eligibility,] or [any] other documents used to determine eligibility by the developer[, its partner,] or its [management company.] representative.

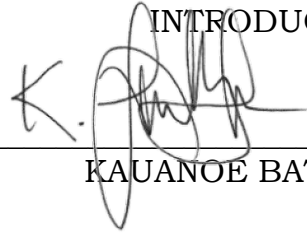
5. The developer[, its partner,] or its [management company shall] representative must maintain a wait list for the development to fill any subsequent vacancy after all [of the] units are rented[, which shall be used to fill any vacancy].
6. Any rental unit vacancy [shall] must be filled by an applicant in the same income group as the original tenant to maintain an equal distribution of [rentals] rental units across the disabled persons' percentage, "very low income" and "low income," "below-moderate income," and "moderate income" groups.
7. An owner of a residential workforce housing rental development intending to sell the development [shall] must notify the department in writing prior to the closing of the sale and [shall] must provide documentation to the department that the prospective new owner acknowledges and is aware of the terms, conditions, and restrictions encumbering the development [as set forth] in section 2.96.070."

SECTION 4. Material to be repealed is bracketed. New material is underscored. In printing this bill, the County Clerk need not include the brackets, the bracketed material, or the underscoring.

SECTION 5. This Ordinance takes effect on approval.

paf:ebm:26-016f

INTRODUCED BY:

A handwritten signature in black ink, featuring a large, stylized 'K' followed by a series of loops and a horizontal line extending to the right.

KAUANOE BATANGAN