

June 3, 2026, 9 a.m.
Kalana O Maui Building

To: Maui County Council House and Land Use Committee
Nohelani U'u-Hodgins, Chair
Kauanoë Batangan, Vice Chair

From: Jonathan Helton, Policy Analyst
Grassroot Institute of Hawaii

RE: Bill 78 (2026) — ON ACCESSORY DWELLINGS ON RESIDENTIALLY ZONED LOTS

Aloha Chair U'u-Hodgins, Vice Chair Bantangan and other members of the Committee,

The Grassroot Institute of Hawaii **supports** [Bill 78 \(2026\)](#), which would allow two accessory dwelling units per lot in all of Maui's County residential zoning districts.

This proposal would be a powerful tool for homeowners and homebuilders to help combat the broader housing crisis.

On the island of Maui, lots smaller than 7,500 square feet are allowed one ADU, while lots larger than 7,500 square feet can have two.

Meanwhile, on Lana'i and Moloka'i, a single ADU is allowed on lots that are 7,500 square feet or larger.¹ On Lana'i, almost 75% of residential lots are smaller than 7,500 square feet,² so ADUs are functionally illegal. On Moloka'i, most lots are 10,000 square feet or larger, but homeowners there are allowed only one ADU.

Grassroot pointed out in its 2023 report "[How to facilitate more homebuilding in Hawaii](#)" that allowing more homes on the same lot is an approach many states and cities across the county have used to increase housing supply.

¹ "[Chapter 19.35 - ACCESSORY DWELLINGS](#)," Maui County Code, accessed Nov. 3, 2025.

² Data from Hawaii Information Service's Multiple Listing Service. Subscription required.

Such places include Minneapolis, Minnesota; and Houston, Texas; as well as the entire states of California and Montana.³ Auckland, New Zealand, is a good international example.⁴

All of those jurisdictions “upzoned” residential areas to allow greater housing density on land already zoned for housing — and research indicates these changes have helped moderate or reduce housing prices.⁵

Allowing more housing in existing residential areas could also help reduce community concerns about new housing in general. First, more water and wastewater infrastructure is typically available in existing residential areas. And second, new housing built under this bill would not encroach on Maui’s rural and agricultural areas, which should please anyone who wants to “keep the country country.”

This strategy would also operationalize current community plans for each island.

In the 2016 Lana'i Community Plan, the chapter on housing endorses a strategy to “Encourage new development to include a variety of lot sizes, housing types, tenures and price points that accommodate the full spectrum of household compositions, life stages (i.e. single, married, with children, multigenerational, etc.) and income levels.”

The plan also says: “Ensuring housing variety on Lana'i will increase residents’ ability to remain on the island when family or economic circumstances change. Housing types include small and large single-family detached homes, ohana dwelling units, duplexes, town homes, multifamily buildings and live-work units.”⁶

Likewise, the 2012 Maui Island Plan states in the chapter on land use that the County should “ensure higher-density compact urban communities, infill, and redevelopment of underutilized urban lots within Urban Growth Boundaries.”⁷ That chapter also notes that during events prior to finalizing the plan, “Maui residents expressed a preference for focusing future growth in existing towns and increasing population densities in appropriate locations as the best way to accommodate growth.”⁸

And the 2018 Moloka'i Island Community Plan notes in its section on “Land Use Planning Principles and Standards” that “Moloka'i’s small towns should provide a mix of housing types and affordability, compact and pedestrian-oriented development, access to parks and open space, and a mix of compatible and complementary land uses.”

³ Laurel Wamsley, “[The hottest trend in U.S. cities? Changing zoning rules to allow more housing](#),” NPR, Feb. 17, 2024.

⁴ Ryan Greenaway-McGrevy, “[Can Zoning Reform Reduce Housing Costs? Evidence from Rents in Auckland](#),” University of Auckland Business School, Economic Policy Centre Working Paper No. 016, June 2023.

⁵ Christina Plerhoples Stacy, Christopher Davis, Yonah Freemark, et al., “[Land-Use Reforms and Housing Costs](#),” Urban Institute, March 29, 2023; and Vicki Been, Ingrid Gould Ellen and Katherine M. O'Regan, “[Supply Skepticism Revisited](#),” New York University Law and Economics Research Paper No. 24-12, Nov. 10, 2023.

⁶ “[Lana'i Community Plan 2016](#),” approved by the Maui County Council on July 26, 2016, p. 11-4.

⁷ “[Maui Island Plan](#),” Maui County Planning Department, Dec. 28, 2012, p. 7-24.

⁸ [Ibid](#), p. 7-21.

It also says: “Future growth areas will be contiguous or proximate to existing employment and/or housing, and located where infrastructure and public facilities can be provided in a cost-effective manner.”⁹

Furthermore, this bill would put the county into compliance with the state’s Act 46 (2024), which requires that the counties allow two ADUs per lot in all residential zones by Dec. 31, 2026.

Thank you for the opportunity to testify.

Jonathan Helton
Policy Analyst
Grassroot Institute of Hawaii

⁹ [“Moloka`i Island Community Plan,”](#) approved by the Maui County Council on December 17, 2018, p. 79.