

PSLU Committee

From: Dina McCallion <dinamccallion@gmail.com>
Sent: Tuesday, June 16, 2020 10:41 AM
To: PSLU Committee
Subject: Testimony for the Kilohana Makai Workforce Housing Project in Kihei

Aloha Maui County Council Members,

I would like to submit this testimony regarding the Kilohana Makai Workforce Housing project in Kihei.

Last year, I was at an event talking with an owner of one of the new work force houses in Ka'anapali which happens to be from the same developer as Kilohana. He had just moved into his new home a few months ago and said he was already looking forward to renting the home in 5 years so he could go travel. This person has lived here several years and I know him to be a good person. But I couldn't help think this conversation was not one that a person who was born & raised here would be having. This was a mainland way of thinking. I was sad to realize he most likely took a spot from someone whose family has lived here for generations and now may have to move to the mainland because they didn't get their one shot at being able to live near their family. And I would assert that person would not have been thinking about when they can rent it in 5 years.

This conversation is not his fault though. As humans, our thoughts and actions are limited to our level of awareness and more effectively the laws that govern us. This conversation is our fault, as a community, as a county. We have not instituted enough laws or limits to control this way of thinking and possibility. Now, I am all for people getting ahead in life, but not at the expense of our community.

However, we can change this conversation through legislation. Here are my suggestions for any new low income, affordable or work force housing developments:

Rent control should be required after initial owner occupancy minimum requirement has been met. Minimum owner occupancy should be raised to 15 years and after that they can rent long term but only an amount no more than 10% - 15% above the **initial** mortgage on the home. And that control must carry over to the new owner if the home is sold. Rental rates should become part of public record.

I suggest limitations be set on these properties with deeds being fee simple determinable. That means that if the ownership rules and restrictions are violated, the property reverts to county owned.

If we do not implement these types of restrictions we will need to build another work force housing development every 5 years. And so then we better start now because that's about how long it takes. We cannot build ourselves out of a housing crisis. We must control the current market, or at the very least, all new developments moving forward. And don't let developers tell you they can't put these types of restrictions because no one will buy. That simply is not true. There are plenty of local people ready, willing and able to purchase an affordable, or work force housing home that would not flinch at these types of restrictions. And that is exactly the type of buyer we are trying to attract, the people who have every intention to be a long term resident and working part of this community. Developers don't care who lives in the homes and for how long; they only care about being able to sell them the first time. If they are affordable, they will sell. If they have longer term restrictions, they will sell to people intending to stay. And that is who we are all trying to provide housing for. We have no obligation to provide affordable housing to someone looking to flip it and move on eventually. That is not who this 'affordable housing' conversation is about.

If you are a developer and you live in Hawai'i then you need to be developing to solve problems for, and serve the needs of, our community. If you're not doing that then you're developing to serve your own needs (i.e. extraordinary profits) and we don't need that.

Mahalo nui,
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