

HHT Committee

From: Lawrence Carnicelli <Lawrence@RAMaui.com>
Sent: Wednesday, October 04, 2017 1:14 PM
To: HHT Committee
Cc: Stacy S. Crivello; Robert Carroll; Alike A. Atay; Donald S. Guzman; Riki Hokama; Kelly King; Mike White; 'Lawrence Carnicelli'
Subject: RAM Testimony HHT-2(1) & HHT2-(2)
Attachments: Testimony HHT-2.1 housing credits 10.5.2017.pdf; Testimony HHT-2.2 resale appraisal 10.5.2017.pdf

Aloha Chair Crivello and HHT Committee Members,

I will be unable to attend tomorrow afternoon's HHT meeting. Please consider my written testimony on both HHT-2.1 and HHT-2.2 submitted here.

Mahalo,

Lawrence Carnicelli

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October 5, 2017
TESTIMONY

**HHT-2(2) A BILL FOR AN ORDINANCE AMENDING CHAPTER 2.96,
MAUI COUNTY CODE, RELATING TO THE RESIDENTIAL WORKFORCE
HOUSING RESTRICTIONS**

Aloha Chair Crivello and members. My name is Lawrence Carnicelli, submitting this testimony as the Government Affairs Director for the REALTORS Association of Maui **in SUPPORT** of the amendments proposed in bill HHT-2(2).

RAM is in support of the Chair's and this committee's efforts to promote and incentivize the creation of affordable workforce housing for our Maui residents. We acknowledge this piece of legislation as an integral step in making housing more affordable and keeping housing more affordable for our working Maui families.

I acknowledge that my earlier testimony submitted on 8/17/2017 could have created confusion over nothing more than truly splitting hairs. I do not believe that I stated clear enough that we are in support of this bill. We would like to see the committee **pass this bill on first reading**.

This bill does several things in the code that are *overdue and necessary* for a healthy and successful workforce housing ordinance.

The first thing that this bill does is clarify the amount of equity an owner of a workforce housing property shall be allowed. The current ordinance allows a homeowner to keep the County's subsidized contribution for themselves. This is an oversight that depletes the County's workforce housing fund to the windfall of a 'lucky' homeowner. With this piece of legislation the homeowner will be allowed to keep their fair market equity but the County will be able to keep their portion as well.

The other thing that this bill does, which is critical, is change the allowable assets for qualifying families. Adding the simple language "*...with the understanding that assets being used for the down payment or closing costs shall not be included in the asset calculation.*" will be the difference between many families being able to afford a home and not. One of the greatest challenges for many families is the ability to come up with their down payment and closing costs. Removing closing costs from the calculation of assets is essential and we are in full support of this language.

Please consider this a very much needed change to the code and pass on first reading.

Mahalo