

Testimony at Budget & Finance Committee on 06-12-17

Dear Chair Hokama and members,

I am Stan Franco and I represent Face Maui. I had an opportunity to read the minutes of The Task Force of the Fairways at Maui Lani. I commend the members of the Task Force for their hours of work and all those who were called to give their expert opinion.

For me, the essential question about what to do with the 50 buildable lots at the Fairways was asked by Joann Ridao. At the March 14<sup>th</sup> meeting, Joann asked "this (the bulk sale of the lots) is the best use for those properties because it benefits the community as a whole while addressing the housing issue.

The Task Force Recommendations is "that the County dispose of the fifty developable Fairways Lots and one drainage lot using the bulk sale model." Going back to Joann's comments, I wonder how this sale benefits the community as a whole while addressing the housing issue.

For the past 30 years, I have been advocating that we build safe, decent, affordable homes for Maui's people. We have 50 improved lots ready to be built on. I think that there are other options besides selling the lots in bulk that we should consider:

- 1. To get more affordable homes built, we have been discussing how the County of Maui could help developers by paying for the infrastructure costs. These lots have the infrastructure in place and are shovel ready. Why not find a way to build on the lots?
- 2. We have been struggling to require developers who receive land entitlements to build in a timely way. We, the County of Maui, can build on these lots tomorrow and help with our housing crisis.
- 3. Our people are struggling to find housing on Maui with average home prices at \$700k. We could possible get local people into

homes for under \$400k. Assuming a \$250 per square foot for each home with a minimum sized home at 1100 square feet, the total cost would be \$275,000 plus other cost like \$12k per lot for dues, etc. and \$100k (estimated improvements costs recovered to the County) = \$395,000.

As Joann said, is selling the 50 lots in an auction to the highest bidder the best option? I think that a wider public discussion is needed to answer the question about the best community benefit.

Face Maui recommends that this matter be referred to the Housing, Human Services and Transportation Committee to allow Maui's people an opportunity to say what they want to do with these 50 improved lots. I would like our construction industry to say what they could do with 50 buildable lots.

The option of selling all 50 buildable lots may be the decision we come to after a public discussion, but I would like to fully explore Joann's comments – "that this (selling the lots) is the best use for those properties because it benefits the community as a whole while addressing the housing issue."

Today, Face Maui is not sure that selling the lots is the best option in addressing our housing crisis and we recommend more discussion.

Thank you for listening.