

Community-Led, Government Supported: Working Together To *Keep Lahaina Home*

Lahaina Community Land Trust

To the Maui County Council Budget, Finance, and Economic Development Committee

January 15, 2025



A REMINDER: LCLT IS INTENTIONALLY NIMBLE TO MEET LAHAINA'S EVOLVING NEEDS



- Our common goal is to **keep Lahaina lands in Lahaina hands** — and **keep our families home** – while preventing the post-disaster **distressed driven sale-to-investor pipeline**.
- We can **adapt our interventions** using various tools with these common goals:
 - Permanent protections
 - Make our communities stronger long term
 - Center the real needs of longtime residents and fire survivors

PATH 1: THE KEEP LAHAINA HOME PROGRAM



Our No. 1 Solution: Helping families stay through our **Keep Lahaina Home Insurance Gap Program** that helps homeowners close the gap between insurance payouts and construction costs.

GOAL: Help ‘ohana rebuild and permanently protect ‘āina and housing that make our community stronger for *generations to come*.

TOOL: Deed restriction; owner retains title to their land.

HOW THE KEEP LAHAINA HOME INSURANCE GAP PROGRAM WAS BORN

- From a great idea for a pilot program proposed **by you** – the Maui County Council! You **responded to community input** and put \$3.5M of seed funding into this program; LCLT stepped up to manage it.
- We knew we couldn't do it alone. So we formed the **Keep Lahaina Home Coalition**:
 - **Hawai'i Community Lending (HCL):** Intake
 - **Ho'ōla iā Mauiakama Disaster Long Term Recovery Group (Ho'ōla LTRG):** Construction support
 - **LCLT:** perpetual land stewardship/protection
 - **Mennonites Disaster Service:** Volunteer labor



OUR PROGRESS TO DATE



PATH 2: ACQUIRE AND STEWARD LAND



Embracing the traditional CLT approach:

Purchasing and protecting land that might otherwise end up in the hands of investors. Building homes within financial reach of local families.

GOAL: Permanently protect ‘āina and housing that make our community stronger for *generations to come*.

TOOL: Ground lease; LCLT is the landowner.

PATH 3: PREVENT FORECLOSURES



Intervene to prevent the worst-case scenario:

LCLT steps in to purchase ‘āina and prevent foreclosure, while partnering with the ‘ohana to create a right of first opportunity (ROFO) to return to the home.

GOAL: Permanently protect ‘āina and housing that make our community stronger for *generations to come*.

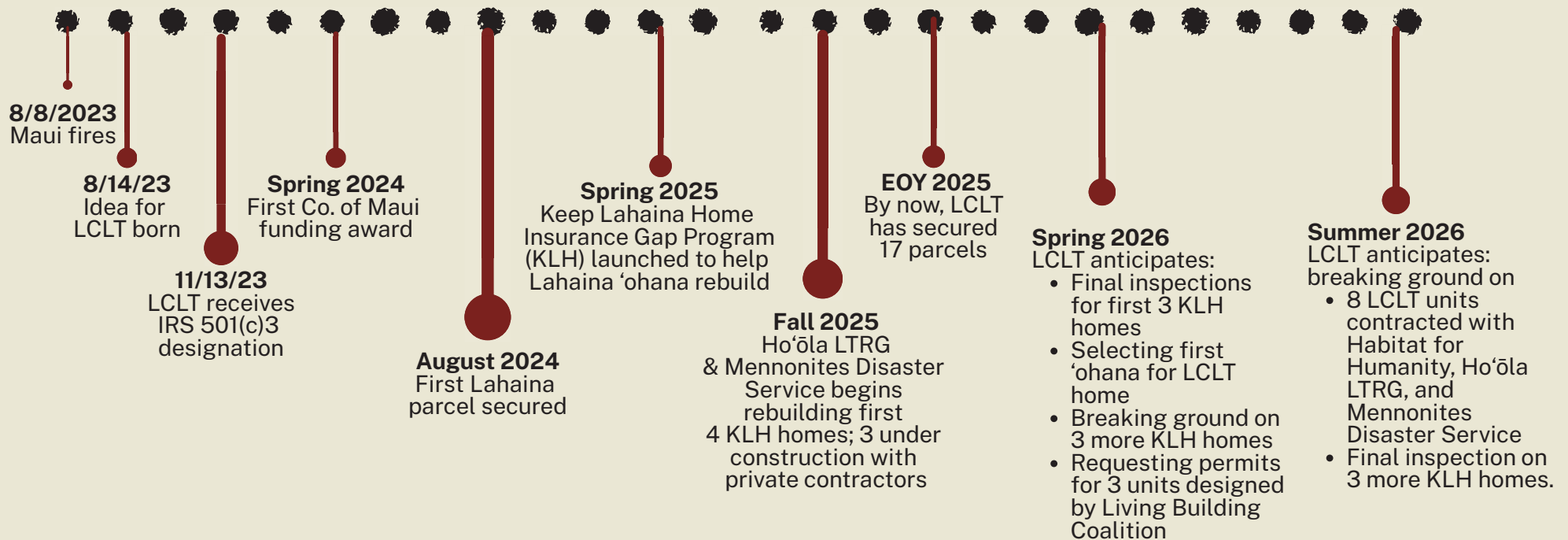
TOOL: ROFO + ground lease; LCLT is the landowner and brings the original ‘ohana back home.



LCLT 'ĀINA

- 19 parcels zoned for up to 45 units; first home expected to be ready for 'ohana to move in this spring
- Of these, three prevented foreclosures and will keep 'ohana on their 'āina; expected to break ground on those homes by summer

A TIMELINE: WORKING TO KEEPING LAHAINA HOME



A PATH TOWARD HOUSING LAHAINA FOREVER

Priority 1: Help ‘ohana who lost homes in the fire rebuild and keep sole ownership of their ‘āina through the Keep Lahaina Home Insurance Gap Program. To date, **10 homes** are in this rebuilding pipeline, with **6 expected to be ready to move in** this spring.

Priority 2: Rebuild for ‘ohana who risked losing homes to foreclosure, sold to LCLT and now have the ROFO to purchase homes built on top. LCLT works directly with families to ensure newly built homes will meet ‘ohana’s physical and financial needs. To date, **3 homes are in the design process**, with groundbreaking expected this summer.

Priority 3: Build affordable homes on other LCLT ‘āina (that isn’t tied to a family currently waiting to return home).

HOW WE'RE FUNDED



FY 2024/25

County of Maui allocated \$15M

- \$5M: Housing
 - \$3.5M, Insurance Gap (\$2.8M committed)
 - \$1.5M, Affordable Housing (spent)
- \$5M, Managed Retreat (*likely not to spend*)
- \$5M, Open Space (*re-allocated, Bill 4*)

Calendar Year 2024

- Private donors: \$3.6M

(We are adding \$5M to this from Bill 4)

HOW WE'RE FUNDED



FY 2025/26

County of Maui allocated \$6 mill

- General Fund, Department of Housing
 - \$3.2M, committed/spent
 - \$2.8M remaining for:
 - Acquisitions & construction
 - Insurance gap (many folks don't qualify for Ho'okumu Hou reimbursement)

Calendar Year 2025

- **Private donors: \$9.4M**
- **Kalua'ehu Partnerships with local businesses and entrepreneurs:** At present, 28 business leaders commit to sharing waiwai with LCLT to keep Lahaina home. (\$50,000 in first 4 months)

HOW WE'RE FUNDED



FY 2026/27

County of Maui (*Mayor's proposed budget*)

- General Fund, Department of Housing
 - \$6M (*proposed*)

Calendar Year 2026

- **Private donors: \$???**
 - Currently working on a \$5M matching grant from an anonymous foundation
- **Kalua'ehu:** Increased interest from visitor industry leaders to build momentum, here and across the pae 'āina

LOCAL BUSINESS PARTNERSHIPS FOR FOREVER STEWARDSHIP

Loyal Lahaina **SEA MAUI**

 **HIKE MAUI** Hawaii Ocean Rafting
ECO ADVENTURES

 **BALSAM HILL** **BUDDHA JEWELRY**

MERRIMAN'S

Henōhea

taverna



la Tienda
maui



surf shack
puzzles



STAR★NOODLE

KALEIS
LUNCHBOX
The Big Volume of Local Goods

OLD LĀHAINĀ LŪĀU
TRADITIONAL OHULA & FEAST


Leoda's
KITCHEN and PIE SHOP

ONEPA'A
HAWAII

PARADISE NOW
HAWAII



Waikomo
SHAVE ICE




PIZZA PARADISO
MEDITERRANEAN GRILL


Pineapple
ROBOT

MĀ LA
OCEAN TAVERN

COCO DECK
BEACH BAR


breakwall
SHAVE ICE
LAHAINA, HI
By Dennis Oka Matsu


down the hatch
A PLACE TO EAT FISH

Kalua'ehu: A powerful partnership with Maui businesses and entrepreneurs who have committed to share their waiwai to help us keep Lahaina's people home.

THE COLLECTIVE IMPACT ON LAHAINA AFTER THE FIRE



Since August 2023, 66 individual "real" (>\$100k) transactions:

- 18% (12) were purchased by companies. 3 of these (5% of total) have Lahaina tax addresses.
- 12% (8) were purchased by Maui County.
- 50% (33) were purchased by individuals. 21 of these (32% of total) have Lahaina tax addresses.
- **20% (13 recorded) were purchased by LCLT,** which help influence comps of other 'āina offered for sale.

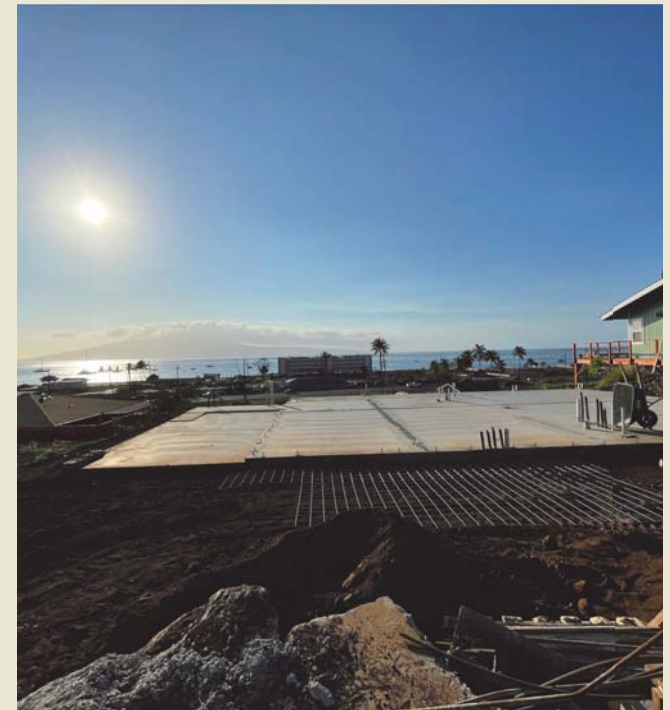
FUTURE PLANS

- Said differently, LCLT has **funding and clear plans to begin constructing 25% of allowable units (11 of 45)** on LCLT 'āina (not including the **10 homes** built for KLH 'ohana).
- Cost per square foot is **\$400 or less**, depending on volunteer labor hours (Remember: County of Maui's CDBG-DR Action Plan estimated **\$500 per square foot**; DHHL's typical costs are upwards of **\$550 per square foot**).
- Fiscally-efficient construction costs made possible by partnerships with other nonprofits to collectively source materials and volunteer labor.



ANTICIPATING FUTURE CHALLENGES

- ‘Ohana who lost homes in the fire are still waiting in limbo for settlement payments; possibly expected late spring and early summer.
- Many have been directed by attorneys that selling before payouts could alter settlement amount; we anticipate a wave of properties to market after payouts.
- Remember: Settlement WILL NOT make families whole. Plaintiffs expected to receive ~40-60% of value losses, to be paid out over four years.
- **At this rate, ‘ohana who lost homes won’t receive final payment until 2030 – seven years after the fire.**



WORKING TOWARD A COMMON GOAL

- This shared vision to keep our families home can only be realized when we share the common goal: prevent displacement not only months and years, but ***generations from now.***
- Similar rebuilding programs in development by other recovery-focused organizations are **replicating national best practices** that embrace perpetual protections, and passing along the long-term stewardship kuleana to LCLT.



All together, the household members of the Keep Lahaina Home program's **first 8 'ohana** have a **combined 1,551 years of living in Lahaina.**

Protections are a *point of pride* – a way to ensure their children and their children's children will be able to some day afford to buy one of these homes.



Thank you for providing the seed funding for this path toward *permanent* recovery for Lahaina and her people.

Learn more:

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