

BF Committee

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Please see the attached testimony

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TESTIMONY

Thank you for this opportunity to testify in support of funding the Habitat for Humanity and Na Hale O Maui requests considered in Budget Committee item 13(2).

A lesson I learned along the way is that whenever something important can be described as a “no-brainer,” watch out. That is apparently the case with this funding request for 22 truly affordable homes in the Kahoma Residential Project. What makes this proposal a no-brainer is we are in a housing crisis. Economists and our Maui Island Plan say we should be building 1,400 homes a year to supply the natural occurring demand. But we are actually producing a small fraction of that amount. The median cost of residential homes on Maui has hit \$700,000. And in West Maui there are no homes that average working families can hope to afford, at all.

This project will guarantee the delivery of 22 homes to truly working class families. Any confusion on that point amounts to a deliberate denial of the history of these two Maui housing non-profits. They both have prepared long lists of working families who will qualify for mortgages for these homes if given the chance.

At the last Budget Committee meeting there was a complaint that these budget items amount to subsidies. That leads to the question: if you are against subsidies, why have affordable housing funds? That’s what they are for: to supplement the development and delivery of homes our working families can afford. The irony of the Na Hale request is that the majority of \$660,000 requested will be returned to the County in the form of impact fee payments.

What does the general public get from these appropriations? It gets homes that will remain affordable. The Habitat homes are guaranteed to remain in the affordable column for 20 years. The Na Hale homes will remain affordable forever. If this appropriation is not approved, homes will still be built, but they will not remain affordable beyond the first generation of buyers.

If affordable housing is really this community’s top priority, then approval of this appropriation is truly a no-brainer.