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July 18, 2016

Committee Chair Don Couch
Planning Committee
Council of the County of Maui

Subject: Increasing Inventory of Available Housing (PC-37(2))

Dear Chair Couch:

"Insanity: doing the same thing over and over again and expecting different results." - Albert Einstein

Housing and Land Enterprise of Maui, dba Na Hale O Maui is a Nonprofit 501(c)3 organization formed to provide affordable housing in Maui County in perpetuity. Our Mission: "To secure and preserve a permanent supply of affordable housing alternatives for low and moderate income households in Maui County." We support affordable housing. We strongly encourage affordable housing in perpetuity.

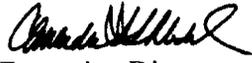
Our current affordable housing solutions are not working. We currently invest public money to develop 'temporarily' affordable housing. In a relatively short time, the individual home owner has the ability to sell at market prices, effectively winning the 'housing lottery' when the initial public investment becomes a windfall profit for a single family. We believe that public funds invested in the community needs to remain in the community; "to make the public's investment a permanent part of the pricing of subsidized homes." (Source: Maryland's Affordable Housing Land Trust Act, James J. Kelly, Jr., p 349) This is the only way we will actually overcome the chronic affordable housing shortage we face.

We are heartened by this Committee's efforts to think outside the conventional box of housing solutions to consider permanent solutions to our affordable housing crisis. We are particularly encouraged by the ability of the Planning Committee TIG to explore the many ideas enumerated under its scope of investigation.

Na Hale O Maui has invested grants received from HUD's Neighborhood Stabilization Program, the County of Maui Affordable Housing Fund, and sales proceeds resulting in 33 CLT homes (at an average cost of under \$200,000 per home) that will remain affordable in perpetuity. Two of the CLT homes were repurchased by NHOM. The homeowner-sellers received part of the increased appreciation of each home. The first home was resold to an income qualified family, increasing our families to 34. The second repurchased home is currently in renovation. Once sold, our families will number 35!

We look forward to continuing opportunities to partner with the County of Maui to provide affordable houses in perpetuity for deserving income-qualified (from less than 80% to 120% AMI) Maui families.

Sincerely,


Executive Director

Changing lives, one home at a time.