

LU Committee

From: Constance "Connie" Mitchell <conniem@ihshawaii.org>
Sent: Tuesday, October 30, 2018 6:07 PM
To: LU Committee
Subject: TEstimony for your Land Use Committee Meeting 10/31/2018
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Sorry, the testimony came out on two separate pages.

Mahalo,

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"Giving to those in need what they could be gaining from their own initiative may well be the kindest way to destroy people." Robert D. Lupton *from Toxic Charity*

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The Institute for Human Services

Ending the Cycle of Homelessness

October 30, 2019

Land Use Committee
Council Member Bob Carroll
County of Maui
200 S. High Street
Wailuku, Maui, Hawaii 96793

Dear Councilmember Carroll,

I am the Executive Director of IHS, The Institute for Human Services, Inc. I am writing in support of the Wailuku Apartment Rental Housing Project located in Wailuku at TMK (3-5-001:064). Maui County has a shortage of affordable rental housing the then precipitates more homelessness on Maui. IHS stands in support of this project.

You may wonder why an agency on Oahu might want to write in support of this project. It is because we are all connected among the islands and when people become homeless on Maui, they often move to Oahu in search of supportive services for themselves and a way out of their homelessness.

Our non-profit human services agency helps households rebuild their lives and find housing. Housing education, employment, and the environment are determinants that contribute to a healthy community. **In other words, housing is a key social determinant of health.**

Rental projects that are not eligible for federal tax credits/grants can serve a much broader market with incomes ranging from 20% to 140% AMI. Workforce housing is meant to house essential workers who are typically a public-sector employee who is considered to provide essential services to the community: teachers, nurses, police officers, firefighter etc. In the United States, typically these essential workers fall within 61%AMI to 120%AMI. In high-cost areas, such as Hawaii, New York, and San Francisco, this income range can go up to 140%AMI. Most of Hawaii's essential workforce do not reach 140%AMI levels.

People think that development should be focused on low income units. But, that is just not economically feasible these days. Households that rent are commonly composed of un-related individuals (roommates) because they know that's the only way they can afford housing. Multi-family units are very common - often consisting of multi-generational members. The combined income of all adult occupants is used to determine eligibility, so three individuals that are at 47% AMI equals a household with 140% AMI income. **The possible combinations of**

income to occupy a non-tax credit/non-government subsidized property that is still affordable (up to 140% AMI) could cover almost every wage earner in Hawaii.

Only a small portion of the population earns over 140% as a single person household. A mixed income project that serves 80% AMI to 140% AMI and has 1- to 3-bedroom units can house a lot of lower income individuals as roommates or un-related individuals. We are actually doing this on Oahu by master leasing homes and helping homeless persons get rehoused as soon as they get a job. They can afford to share housing. Most of these rents fall below the 60% AMI rent levels for roommate situations going as low as 20%AMI of the Maui County median. For example, three roommates each earning 40%AMI could make a 120%AMI household. Two 60%AMI individuals can make a 120%AMI household. One 40%AMI roommate and a 100%AMI roommate can make a 140%AMI household.

Given that 45% of our rental households on Maui are likely single individuals demonstrates a hidden fact that workforce housing at 80%-140%AMI can also provide housing for lower-income households! We've all probably been a roommate at one point in time whether as a new graduate, young unmarried professional, or as a retired widow. We should also not forget that young families today often have two-wage earners and even if husband or wife each have incomes of 60%AMI, their combined incomes give them the ability to afford rents between 100-120%AMI.

There is also a direct correlation to the prevention of homelessness and that is most homeless people are single individual households (82% of all homeless people are single). Prior to being homeless a majority were roommates previously renting a room in a house or apartment and sharing a kitchen or bathroom living paycheck to paycheck. There is currently no housing inventory for these single individuals to live or transition too in our tight housing market. The only way we can fix our lack of housing is by finding a way to build more. Creating additional supply of workforce housing (80%-140%AM priced rental units) can truly help address our homeless problem in Hawaii and on Maui particularly.

Please support the development of these affordable homes. You will be helping to end or avoid homelessness for more people on Maui than you realize.

Sincerely,



Connie Mitchell
Executive Director