

AH Committee

From: Dina McCallion <dinamccallion@gmail.com>
Sent: Thursday, September 17, 2020 4:45 PM
To: AH Committee
Cc: Tamara A. Paltin
Subject: Re: Testimony re: Lihau'ula project

Aloha kākou,
I would like to amend my testimony with this additional information...

In June of this year, the rules changed for how business owners can qualify for a mortgage. Even if someone collects a paycheck from a business, if they own 25% or more of that same business they are considered self employed. Well, in June of this year, the rules changed for how self employed borrowers can qualify for a mortgage. They now need to show 9 months consistent income instead of 2 as well as a company P&L.

Since many members in our West Maui community are small business owners this would greatly impact how, or if, they could qualify for a loan. I understand this new division is not yet built and won't be for possibly many years but developers should be made aware of this new change as it will greatly impact borrowers all over the US especially here in West Maui where we have a lot of small business owners. Special considerations should be made by the developers to find a way to also be the mortgage lender in these 'work force' priced homes.

Mahalo,
Dina

> On Sep 17, 2020, at 1:11 PM, Dina McCallion <dinamccallion@gmail.com> wrote:
>
> Aloha Kākou,
> I hope this e-mail finds you well. I would like to submit testimony regarding the Lihau'ula project. I would request you vote no.
>
> It is not as affordable as it needs to be!
>
> Given the DTI (debt to income) ratios needed to qualify for mortgages, on average, local people in HI do not meet those requirements. And even if some of them normally would; the recent shut downs have caused many people to go into further debt. Therefore eliminating their chances of meeting the DTI ratios necessary to qualify for even an 'affordable home' right now. Unfortunately, everyone needs to make sacrifices lately including developers who will clearly be making considerable profits from such projects. This may have worked in 2006 but not now.
>
> There are many other reasons this project should not be allowed to move forward. The location is not a good choice for development. There is no water, hardly any rainfall, terrible fire hazards, and the pristine reefs below would be so negatively impacted that they may never recover. Are we willing to sacrifice that yet again?
>
> Yes, we do need housing, yes we needed it yesterday and yes it does need to be affordable. But we are now in a position collectively as a state, if not the world, to have to reassess what is realistically

affordable and expectations of reasonable profits to be made. You are in a position to say no. Developers who have land don't want to own empty land forever. They want to develop it. You have the ability to say what the needs of our community are and they will either meet those needs or not get to develop. I guarantee you, they will find a way to meet our needs while still making enough money off of their project. It's time to hold developers to a higher standard, expectation, and requirement.

> They will comply. You'll see.

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> Mahalo,

> Dina Edmisson

> (808) 344-1724

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