

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
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Statement of
DEAN MINAKAMI
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

February 07, 2025 at 9:00 a.m.
State Capitol, Room 430

In consideration of
H.B. 833
RELATING TO COMMUNITY LAND TRUSTS.

Chair Evslin, Vice Chair Miyake, and members of the Committee.

HHFDC **supports** HB 833, which authorizes the Hawaii Housing Finance and Development Corporation (HHFDC) to establish a five-year community land trust equity pilot program to provide community land trusts with a line of credit to fund the acquisition, rehabilitation, renovation, or construction of housing for certain households and report to the Legislature regarding the pilot program. It also appropriates moneys from the Dwelling Unit Revolving Fund (DURF) for establishment of the pilot program.

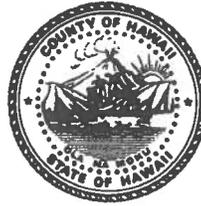
HHFDC concurs that community land trusts may be beneficial in helping to preserve affordable for-sale housing over the long term.

Thank you for the opportunity to testify on this bill.

C. Kimo Alameda, Ph.D.
Mayor

William V. Brilhante Jr.
Managing Director

Merrick Nishimoto
Deputy Managing Director



Kehaulani M. Costa
Housing Administrator

Keiko M. Mercado
Assistant Housing Administrator

County of Hawai'i
Office of Housing and Community Development

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February 5, 2025

TESTIMONY IN SUPPORT OF HOUSE BILL 833
A BILL FOR AN ACT RELATING TO COMMUNITY LAND TRUSTS
COMMITTEE ON HOUSING

Rep. Luke A. Evslin, Chair

Rep. Tyson K. Miyake, Vice Chair

Hearing Date: Friday, February 7, 2025, at 9:00 AM

Place of Hearing: Conference Room 430 & Videoconference

Aloha Honorable Chairs Evslin and Miyake, and members of the Committee on Housing,

On behalf of the County of Hawai'i Office of Housing and Community Development (OHCD), I am pleased to provide testimony in **support of House Bill 833**, which authorizes the Hawai'i Housing Finance and Development Corporation (HHFDC) to establish a five-year community land trust (CLT) equity pilot program. This program would provide community land trusts with a line of credit to fund the acquisition, rehabilitation, renovation, or construction of housing for qualifying households.

CLTs are an innovative model for ensuring long-term affordable homeownership. Their shared equity structure enables homeowners to build equity while maintaining affordability for future generations. This model is especially crucial in Hawaii, where housing affordability remains a persistent challenge. CLTs provide low- to moderate-income families with the opportunity to achieve and sustain homeownership, even amidst rising market prices.

In the County of Hawai'i, we have seen the positive impact of this model firsthand. Through our Affordable Housing Production (AHP) Program, we have supported two HALE o Hawai'i projects. Additionally, our office has been collaborating with HALE o Hawai'i to develop projects on State land under executive order, which is being leased to the organization to further CLT efforts.

This collaboration underscores the power of partnerships between government, nonprofit organizations, and the community in addressing local housing needs.



February 5, 2025

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We support this pilot program and its potential to expand CLTs and build on the success we've experienced. The proposed \$5 million appropriation for the program would be a crucial investment in scaling up CLTs across Hawaii, enabling them to acquire land, rehabilitate properties, and construct affordable, sustainable homes ensuring that Hawai'i remains a place where residents can thrive.

Thank you for the opportunity to provide testimony in support of House Bill 833.

Mahalo,



Kehaulani M. Costa
Housing Administrator

February 4, 2025

RE: Testimony in Support of HB833 – Community Land Trust Equity Pilot Program

Aloha Chair Evslin, Vice Chair Miyake, and Members of the Committee on Housing,

My name is Carrie DeMott, and I am the Interim Executive Director of Nā Hale O Maui (NHOM), Community Land Trust (CLT). **I strongly support HB833**, which would establish a CLT Equity Pilot Program through HHFDC, providing a low-cost line of credit to build affordable homes more efficiently.

NHOM, a nonprofit since 2006, stewards 50 permanently affordable homes under a 99-year ground lease. Since inception, we have helped 57 families achieve homeownership, and the demand continues to grow—129 families are currently qualified to buy, with hundreds more signed up for our bi-weekly Homebuyer Orientation Seminars. Just last week, we started 28 more families on the path to become a qualified buyer in our program, which serves working families with income that meets 80% - 140% AMI.

Access to capital is a critical barrier to developing affordable housing. NHOM has borrowed funds in the past, but high costs and delays slow production. A preapproved, low-cost line of credit would allow us to quickly acquire properties when presented with the opportunity, start construction on our ready-to-build lots, and develop more housing on land already secured, including 12 additional County-donated lots.

Hawai'i's housing crisis is dire. The median Maui home price in December 2024 was \$1.37 million. NHOM sold homes last year for \$490,000, proving that our CLT model works. The funds from these sales are reinvested to acquire and build more homes, ensuring affordability for generations.

As both NHOM's Interim Executive Director and a homeowner in our CLT, I've seen firsthand how stable, permanently affordable housing transforms families and strengthens communities. **HB833 is a smart, sustainable investment that will allow NHOM and other CLTs to provide homeownership opportunities for working families. I urge your support.**

Mahalo for your time and consideration.

Carrie DeMott

Interim Executive Director
Nā Hale O Maui
190 N Church Street
Wailuku, HI 96793



FEBRUARY 5, 2025

CHAIR EVSLIN, VICE CHAIR MIYAKE, AND COMMITTEE MEMBERS:

I am writing on behalf of the Board of Directors of Kohala Community Land Trust, a non-profit created in the district of North Kohala on Hawai'i Island to keep Kohala homes, land and businesses in Kohala hands in perpetuity. We were awarded 501(c)(3) status in August 2024 and already have over 120 active members in a community with a census population of around 1,700 households.

More information on our objectives, structure and Board of Directors is at <https://www.kohalacommunitylandtrust.org/>.

We are in **full support of HB833**. This bill provides important recognition that the classic Community Land Trust model, governed by lessee and resident members, is a viable long-term solution to the affordability crisis for Housing in the State. By removing a portion of the inventory from the speculative market, it gives hope for local families. One of the biggest challenges for a community land trust is tapping financing to acquire and rehabilitate properties. Providing a line of credit for a community land trust to act quickly as urgent opportunities arise will help us gain momentum and convince other funders of the benefit of the model.

Thank you for your favorable consideration. We hope you will also consider amending the preamble language to note that there are six community land trusts currently active, including Kohala Community Land Trust

BETH ROBINSON

SECRETARY, KOHALA COMMUNITY LAND TRUST

HB-833

Submitted on: 2/6/2025 8:05:48 AM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Autumn Ness	Lahaina Community Land Trust	Support	Remotely Via Zoom

Comments:

Lahaina Community Land Trust will be present at tomorrow's committee hearing to share examples of how HB833 would. positively impact our work.

Mahalo



Support for HB833

Aloha e Representative, Chair, Vice Chair:

We are testifying on behalf of Locals In My Backyard (LIMBY) Hawai'i. LIMBY Hawai'i is a hui of concerned kama'āina and kānaka working to help develop solutions to our state's housing crisis.

We are concerned that NIMBYism has driven up costs and driven our friends and families out by opposing all development. We are equally concerned that the apparent answer to this, YIMBYism, insists that anything resembling true affordability is impossible so instead they promote building housing that gets bought by overseas investors. ***We know we won't solve our housing crisis without building more, but we won't solve them by simply building more.***

The true solution is to create a housing market for locals: one that houses locals first, is tied to local wages, and is managed in trust. We detail real solutions to our housing woes on our website and through our newsletter.

The future for kama'āina and kānaka will be LIMBY or Las Vegas.

HB833 decisively tips things in favor of a future in Hawaii.

Community land trusts as a model are the critical missing piece in long term affordable homes. They, and equivalent systems, are the fundamental tool behind affordable housing in markets across the globe.

Critically, community land trusts can enable a market that is tied to local wages by eliminating the opportunity for rent seeking and speculation in land markets—which can be upwards of 80% of the value of local homes.

We strongly urge the committee to pass this legislation authorizing low interests loans community land trusts. They are the key to an affordable future for locals.

Makana Hicks-Goo,
Organizer on behalf of LIMBY Hawaii



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON HOUSING
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 430
Friday, February 7, 2025 AT 9:00 A.M.

To The Honorable Representative Luke A. Evslin, Chair
The Honorable Representative Tyson K. Miyake, Vice Chair
Members of the Committee on Housing

SUPPORT HB833 RELATING TO HOUSING

The Maui Chamber of Commerce **SUPPORTS HB833** which authorizes the Hawai'i Housing Finance and Development Corporation to establish a five-year community land trust equity pilot program to provide community land trusts with a line of credit to fund the acquisition, rehabilitation, renovation, or construction of housing for certain households and report to the Legislature regarding the pilot program; and appropriates moneys from the Dwelling Unit Revolving Fund for establishment of the pilot program.

The Chamber notes that community land trusts are effective at producing and preserving permanently affordable housing, increasing community control and neighborhood stability, and reducing barriers to homeownership for low- to moderate-income households. Community land trusts create lasting assets and shared equity homeownership opportunities, which foster generational wealth and community stability.

We also highlight that the shared equity models of community land trusts enable many homeowners to transition to traditional homeownership. Studies show that six out of ten community land trust homeowners accumulate enough equity to purchase homes on the open market.

In light of the severe housing shortage in both the state and Maui County, we support measures that promote, rather than hinder, the development of housing for our residents.

For these reasons we **SUPPORT HB833** and respectfully request its passage.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-833

Submitted on: 2/5/2025 8:33:47 AM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jennifer Mather	Individual	Support	Written Testimony Only

Comments:

Aloha mai e Chair Evslin, Vice Chair Miyake, and Honorable Members of the Housing Committee,

My name is Jen Mather, and I am testifying in strong **SUPPORT** of HB833 as a community land trust homeowner and a board member of Nā Hale o Maui Community Land Trust. Today, however, I submit this testimony as an individual, speaking on behalf of myself and my ‘ohana.

My children and I are kānaka ‘ōiwi, and our ‘āina kūpuna is Lāhainā. Nearly four years ago, rising costs, speculative market forces, and the lack of truly affordable homes forced us to leave Lāhainā. After years of bouncing from place to place, we met that ever elusive sweet spot of making enough money to qualify for a mortgage, yet not enough to disqualify us using the county AMI % to apply for one of two homes sold by Nā Hale o Maui in 2024. After nearly 9 years on their qualified buyer's list, we were finally selected and have been in our home in Wailuku, in Vice Chair Miyake's district, since July 2024.

For families like mine, community land trusts (CLTs) are not just about homeownership—they are about stability, security, and the opportunity to stay rooted in the place we are cosmogonically connected to. CLTs provide a proven, long-term solution by keeping housing affordable in perpetuity and ensuring that local families don’t get priced out of their own communities.

Nā Hale o Maui, Maui’s first and only county-wide CLT, has been a lifeline for many families over the past two decades. By removing homes from the speculative market and preserving their affordability for future generations, Nā Hale o Maui has helped local families remain on Maui despite the overwhelming cost of housing.

The devastating August 2023 fires in Lāhainā made it painfully clear how vital community-driven housing solutions are. Many homeowners in Nā Hale o Maui’s CLT program lost everything in the fire. While insurance may help some rebuild, others are stuck in limbo, uncertain if they’ll ever be able to return. Without immediate action, many of these families—who once had the security of homeownership—may be forced to leave Maui entirely.

In response to this crisis, the Lahaina Community Land Trust (LCLT) was recently established to ensure that Lāhainā’s lands remain in local hands and are developed for the benefit of Lāhainā’s people, not outside investors or corporate interests. This is a critical step to prevent predatory

land grabs and give displaced families a direct role in rebuilding their community in a way that respects Lāhainā's rich history and cultural heritage. But as a newly formed organization, LCLT faces significant funding and resource challenges.

HB833 is a necessary step in strengthening the CLT model in Hawai'i. By creating the Community Land Trust Equity Pilot Program, this bill would provide CLTs like Nā Hale o Maui and Lahaina Community Land Trust access to a low-cost line of credit, allowing them to acquire, rehabilitate, and develop more affordable homes. This funding would help keep local families in their communities and prevent further displacement at a time when many are at risk of losing everything—not just their homes, but their connection to the place that raised them.

Now more than ever, we need to invest in solutions that prioritize people over profit. HB833 provides a pathway for Hawai'i to protect its families from the instability and predatory forces of the real estate market, ensuring that housing remains affordable for generations to come.

I urge you to pass this measure and take a stand for the future of homeownership in Hawai'i.

Mahalo for your time and consideration.

Me ka ha'aha'a pau 'ole,
Jen Mather

HB-833

Submitted on: 2/6/2025 7:53:07 AM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Justin Hughey	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Luke A. Evslin and members of the committee

I am writing in strong **support of HB833**.

The foreclosure moratorium on Maui ended January 4th and people on the ground are anticipating a foreclosure crisis as economic impacts of the fire continue. Not only do we need to prepare for the continued economic impacts from the Lahaina wildfire, we also are going to see the national economy slid into the abyss from Trump's five trillion dollar tax cuts for the wealthy. Every Republican President since Hoover that has cut taxes on the wealthy has produced a recession or worse. Without intervention, we know disaster capitalism will result in investors taking advantage of the crisis to purchase foreclosed properties and provide profit off them later.

My name is Justin Hughey and I am a 48 year old Special Education Teacher who lives in Wailuku on Maui. I moved here to take my first teaching job at King Kamehameha III Elementary in 2006. The cost of living was so high that I went into debt very quickly and had to work nights waiting tables as a second job in order to rent a one bedroom apartment and live paycheck to paycheck. I never gave up the dream of home ownership and started looking into very few options for affordable housing. I joined a seminar and learned about a new Community Land Trust called Na Hale O Maui. In 2010 there were a lot of foreclosed homes because of the current recession. John Anderson, then the current Executive Director expressed that this was a way to transform foreclosed homes into permanent affordable housing in perpetuity. I immediately started the paperwork to get on the pre-approved buyers list. Somehow my efforts and good fortune sprung myself to the top of the list and I was able to purchase their first home. The house is located at 37 Poniu Circle. It is a 3 bed, 2.5 bath, 1,521 square, two car garage just walking distance to downtown Wailuku. The house was built in 1988 but went into foreclosure. I was told the bank wanted to sell it for \$475,000 but ended up selling it to Na Hale O Maui for \$375,000. Na Hale O Maui then sold the home to me for \$270,000. The non for-profit owns the land on a 99 year lease at forty dollars a month with an option for another 99 years. I can sell the house to my kids if I wish. I own the house, Na Hale O Maui owns the land. The house today if it was on the market is listed on the internet for \$961,000 dollars. I can't just sell the house and keep the profit. I collect shared equity and whenever I sell it, it has to go to either my kids or a list of reapproved Na Hale O Maui buyers who will be able to purchase it at a truly affordable rate. The concept is that every home they purchase will be affordable in perpetuity. My mortgage is \$1,361.00. You can't find a one bedroom apartment, anywhere, at this rate. My wife, whom I

met after I bought the house is a teacher as well. We each pay about \$600 a month for housing. We both wanted to have children and if it wasn't for this truly affordable home, we would have moved to the mainland. We now have a five year old boy named Jasper and a three year old boy named Oskar. All the rooms are finally taken up. We are all so grateful. It was like winning a lottery ticket.

Governor Green suspended many state laws in his emergency proclamation to produce so called affordable housing. I am not seeing a lot of truly affordable housing being produced. With the high cost of the land and materials, I have not seen a better way of producing truly affordable housing than through community land trusts. The school I was working at burned down in the Lahaina wildfire. I was able to transfer to a school close to home but a lot of people I worked with in Lahaina were forced to leave. Now I teach at Kahului Elementary and even in central Maui I am working with children who's parent are struggling to find affordable options. Affordable housing is also a major factor in the fact that Kahului elementary started the year with thirteen school wide employment vacancies.

We need courageous as well as creative leadership, now more than ever. Thank you for hearing this bill. Making it easier for community land trusts to purchase foreclosed homes is a great start. We can make sure the local homes stay in local hands by: Prohibiting foreclosure properties from being bundled together. Giving tenants, community organizations, and the city or state the first opportunity to purchase. This gives locals a fighting chance at making sure the local homes serve local people. There are so many more hard working families like mine that deserve a chance at truly affordable housing.

Na Hale O Maui has over six hundred people on their home buyer orientation wait list. This bill would be a game changer for them by allowing them to produce more affordable housing with their proven model that helped me. This would allow them more buying power. This would allow Na Hale O Maui to look at converting more truly affordable homes in Lahaina. Overall this will help community land trusts to stop the gentrification of our community and produce truly affordable housing.

HB-833

Submitted on: 2/6/2025 9:25:39 AM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Christine Otto Zaa	Individual	Support	Written Testimony Only

Comments:

I support HB833. We need to create and preserve permanent affordable housing.

Andrew Laurence
Honolulu, Hawaii 96815

Testimony for the House Committee on Housing

Friday, February 7, 2025, 9 a.m.

SUPPORTING HB833

Aloha Chair Evslin, Vice Chair Miyake, and members of the House Committee on Housing:

I am testifying in strong support of House Bill 833, *Relating to Community Land Trusts*.

This bill addresses a fundamental issue affecting communities across our state: the rising cost of housing and the displacement of longtime residents who can no longer afford to stay in their neighborhoods.

A land trust would allow our communities to build new or convert existing housing into a trust that remains accessible to low- and moderate-income families. Unlike market-driven, supply-side development, which, in Hawai'i has driven housing costs out of reach and more than likely will continue to do so, a land trust ensures that homes remain affordable for the present and future generations.

The proposed land trust should protect housing from speculative real estate investors both in state and from overseas. This bill provides an opportunity for our communities to have greater control over their own housing future, ensuring that homes are built in ways that prioritize the needs of those who call these islands home.

Not only does this approach create stable, permanent affordable housing, but it would also stimulate the local economy by creating jobs in construction, maintenance, and community engagement.

For these reasons, I strongly urge you to support this bill and help build a future where Hawai'i residents have access to safe, stable, and affordable housing.

Mahalo nui loa for your consideration of this important innovation,



Andrew Laurence