

Overcoming regulatory barriers for Maui housing solutions

By Micah Kane

It's impossible to walk down the street and find someone who doesn't know Maui has a housing problem for its residents. The size of the issue continues to be pointed out in numerous ways — from anecdotal stories, to housing prices, to various data sets, including the recent University of Hawaii Economic Research Organization (UHERO) Regulatory Housing Report showing that our regulatory oversight system is related to the ever-rising cost of homes for local residents.

Solving this is going to take all of us. At Hawai'i Community Foundation, we started an initiative called House Maui to provide structure and opportunity that would lead to solutions. Over the past two years, with engagement of more than 1,200 Maui families, Maui County and the homebuilder community, we have seen initial suc-

cesses in preparing families for home ownership and supporting efforts to ensure more affordable housing is built.

But these are only the first steps. More strides are needed to walk this path — and the public's involvement to advocate for changes to our system will produce true housing affordability at scale.

UHERO's Regulatory Housing Report expanded on a national study on regulatory burden and confirmed that our overreaching regulatory system is a barrier to affordable housing. The report reaffirmed that 56.1% of Maui's residents are cost-burdened as a result of a broken housing system — meaning that most families are spending more than 30% of their income on housing, leaving little

ISLAND VOICES



Micah Kane is CEO/president of the Hawai'i Community Foundation.

for other survival needs. And, while this impacts families who are in the most need of financial help, it is also hollowing out middle-class families. Overall, we are losing our most valued resource — our people.

UHERO's study reveals that Hawaii won't solve the housing crisis by tinkering on the

edges. We need a complete overhaul. The study highlights that Hawaii leads the nation in "regulatory burdens" that include wait times for permits and the ability for housing opponents to stall development in court and through state and local political involvement. All of this adds risk and burden to homebuilders, which in turn increases the cost to build homes, and ultimately the cost for families to buy them.

One great example of how out-of-the-box thinking can make a big difference is the use of federal and state resources to extend the county's Waiale Road in Central Maui. This reduced the cost burden on county taxpayers and home development.

Ultimately, the county signed a public-private partnership agreement in which a private developer agreed to convert 213 market homes into affordable homes and build these homes first. These are the homes that some of the 1,200 local families who have worked through the Financial Opportunity Center (FOC) will be able to access as affordable housing.

There is another window of opportunity to align resources. More than \$1 billion in infrastructure funding was appropriated this year at the federal and state levels specifically targeting affordable housing. Maui has the opportunity to get more than its fair share. This

will require decisive, but extremely collaborative leadership at the state and county levels should Maui expect to see significant progress. The greatest failure would be to see regulation and process cause these funds to lapse and go unspent.

We believe that empowering Maui families to lean in on this issue is a must. It's important to talk about these issues with your family and friends and to investigate the candidates and vote. Providing testimony to the County Council on key affordable housing issues is also critical.

We need more people involved in challenging and reducing current regulations. Hawaii needs to set a housing goal and do the hard work to achieve it.

At its core, building a home is not difficult, but we've made the process in Maui the most complex in the country. The time to act is now.