

Hawaii Habitat for Humanity Association
1164 Bishop St., Suite 510
Honolulu, Hi 96813

Committee on Finance
Friday, February 22, 2008
10 a.m. Conf. Room 308

LATE

Testimony in Support of HB 2040: Relating to Hawaii's Economy

Hawaii is in a state of crisis. We, as a state, can no longer provide housing for a large number of Hawaii's residents.

- A legislative affordable housing task force last year estimated that about 44,190 new housing units would be needed statewide by 2009.
- Nearly half of those would be needed for low-income families, families earning less than about \$54,250, which is 80% of the annual median income for a family of four.

44,190 new houses and apartments by next year! No wonder we see so many homeless people everywhere. No wonder working people are feeling worried and stressed.

There is no mystery as to how it has happened and what the effects are. A combination of factors:

- Most of Hawaii's land is held by a relatively few entities who can therefore charge the highest the market can bear.
- We have sold off a significant portion of Hawaii real estate to outside investors.
- In just 3 years, between 2003-2006, some 5,000 rental apartments were converted for sale as condos.
- In the 9 years preceding 5,600 apartments were converted.

There just aren't enough places for people to live. More than 44,000 too few.

If the displacement of people into severely overcrowded residences, into the beach parks and the parks in every neighborhood had happened overnight by a hurricane or earthquake help would be flooding in from all over the world.

The question is what we are going to do about it.

If Hawaii continues on this path it may become like so many other island nations, which have been taken over by outside interests and where local people can no longer afford to live.

For this reason, among others, we must get a handle on where our current policies and economy are leading us and how we can change them to benefit all of Hawaii's people.

Please support this measure.

Kathleen Hasegawa
Executive Director