



Testimony of **Lahaina Strong**
Before the House Committee on
Housing

In Consideration of Senate Bill No. 332 SD1
RELATING TO FORECLOSURES

To Chair Evslin, Vice Chair Miyake and the honorable members of the committee,

We are writing on behalf of Lāhainā Strong, an organization deeply rooted in our community's resilience and advocacy. Originally formed in 2018 following the Hurricane Lane fire in Lahaina and revitalized after the devastating fires of August 8, 2023, Lahaina Strong has become the largest grassroots, Lahaina-based community organization, with over 35,000 supporters. Our mission is to amplify local voices and champion community-driven solutions, which are more critical than ever as we continue rebuilding and recovering.

Lahaina Strong, stands in **support of Senate Bill 332 SD1** which addresses the urgent need to protect local residents from the devastating impacts of a looming foreclosure crisis on Maui. With the foreclosure moratorium ending, our community is facing another wave of grief as the economic impacts of the August 8th wildfire continue to unfold.

Without intervention, disaster capitalism threatens to exploit this crisis, allowing outside investors to purchase foreclosed properties and profit at the expense of local families.

SB332 SD1 ensures that foreclosed properties cannot be bundled together for auction. By requiring individual property auctions, local residents have a fairer chance to submit competitive offers. Bundled auctions only benefit investors, shutting out families who want to rebuild and remain in their community. Additionally, this bill prioritizes giving tenants, community organizations, and government entities the first opportunity to purchase foreclosed properties. This approach ensures that local homes remain in service to local people.

When paired with the work of community land trusts, this measure can help create a pool of permanently affordable housing for local residents and generational families in Lahaina.

We respectfully request the Legislature **support Senate Bill 332 SD1** to protect local residents, prevent predatory real estate practices, and preserve the integrity of our community.

Mahalo for your consideration and for your commitment to helping communities like Lahaina recover and rebuild.

Sincerely,

Lāhainā Strong

SB-332-SD-1

Submitted on: 3/11/2025 3:53:02 AM

Testimony for HSG on 3/12/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Simon Windell	Lahaina Community Land Trust and Northwest Community Land Trust Coalition	Support	Written Testimony Only

Comments:

My name is Simon Windell, I'm here on behalf of the Lahaina Community Land Trust (as the CFO of the organization), and the Northwest Community Land Trust Coalition (as the Treasurer of the board), in **STRONG** support of this legislation.

Research and analysis of recent disasters and their associated recovery efforts show that gentrification intensifies after disasters. The Lahaina Community Land Trust was formed after the Lahaina fires to stand between the community and this gentrification:

A recent report, based upon other post-disaster activity and the local market, estimates that Lahaina could see a 20% turnover of ownership of at least \$360 million in value over the next three years. The foreclosure moratorium on Maui ended on January 4th, and we, working on the ground, are anticipating a foreclosure crisis in the coming months as the economic impacts of the fire continue (and only intensify).

Without intervention, we know that disaster capitalism will result in investors taking advantage of this crisis to purchase foreclosed properties and profit from them later. This has the potential to be a **VERY** lucrative opportunity for those motivated by financial returns. We must be motivated by more than this. We must be motivated by community.

Preserving and perpetuating community means ensuring that the housing stock of Lahaina (or any other post-disaster community) has a chance to remain in local hands by:

- Prohibiting foreclosed properties from being bundled together. When properties are auctioned individually, local residents have a better chance of making a competitive offer. When properties are bundled, only investors have the opportunity to buy, likely in a premediated and strategic manner.
- Giving tenants, community organizations, and the city or state, the first opportunity to purchase. This gives local folks a fighting chance at making sure that local homes serve local people.

Paired with the work of community land trusts, this measure can help us to build a pool of permanently affordable housing for local residents and generational families in Lahaina and beyond.

Here are a couple examples about how this is playing out on the ground right now, in the absence of protections like this bill:

We are currently working with our first homeowner, who's fire destroyed home and land are in foreclosure. We have spent a lot of time and resources on an effort to pull their property out of foreclosure and purchase it before it goes to auction. This is one case. One case that was a test on how difficult the process is, how vulnerable our fire affected homeowners are. Extrapolate this to the ~2000 residential parcels in Lahaina town, and the effort becomes herculean.

We are also working together with a data provider in an attempt to monitor all of the residential parcels in Lahaina town for judicial foreclosures, but we still have to physically monitor newspapers to find out about non-judicial foreclosures, so we can proactively reach out and work with homeowners to first: help keep them on their land, and then, only if they need to sell, 2) purchase the land on behalf of the community.

This is resource and time intensive.

This bill will solve these time and resource intensive problems and enable us to focus on primary challenges.

So, in summary:

This bill will have a significant impact on the Lahaina community's ability to stem the tide of disaster capitalism and gentrification today... and set Hawaii at large up for a healthy community response to the next natural disaster

SB-332-SD-1

Submitted on: 3/11/2025 6:38:42 AM

Testimony for HSG on 3/12/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kazuo Flores	Individual	Support	Written Testimony Only

Comments:

Aloha,

I'm writing in full support of SB332 SD1.

MAHALO

SB-332-SD-1

Submitted on: 3/11/2025 9:15:54 AM

Testimony for HSG on 3/12/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cherilyn Evans	Individual	Support	Written Testimony Only

Comments:

Aloha Greetings

Thank you for the work you are doing on behalf of Lahaina's recovery.

I am writing to urge your support of SB332. Please do not allow foreclosed properties to be bundled and sold to the highest bidder (...i.e, developers.)

As so many have been displaced and lost their homes, this bill would insure that Lahaina residents have priority, the first right, to buy foreclosed properties.

Please consider local residents' concerns and wellbeing over the 'golden apple' of big developers and corporate funds.

Trusting you to do the right thing for Lahaina residents. Mahalo.

Cherilyn Evans

Napili

SB-332-SD-1

Submitted on: 3/11/2025 10:55:02 AM

Testimony for HSG on 3/12/2025 9:00:00 AM

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

Comments:

Aloha Chair Rep. Luke A. Evslin, Vice Chair Tyson K. Miyake, and members of the Committee.

I am writing in full support of Senate Bill 332 SD1. The Lahaina wildfire is pushing out the residents. This bill will prevent the bulk sale of foreclosed properties that only investors will be able to benefit from. With such limited housing for the hard working families in our communities we need to enable the people who live and work here to have more opportunities for home ownership.

This will allow community land trusts more opportunity to establish permanent affordable housing. I was lucky enough to be the first home buyer from Na Hale O Maui. 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.

There is going to be a massive economic recession which will result in a flood of foreclosed homes in Hawai'i. We need to do everything possible to make sure we can provide more opportunity to turn these foreclosed homes into more affordable housing for the hard working people in our communities.