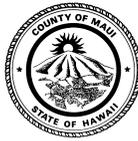


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**COUNTY COUNCIL**  
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February 7, 2018

TO: The Honorable Tom Brower, Chair  
House Committee on Housing

FROM: Mike White  
Council Chair

Handwritten signature of Mike White in black ink.

SUBJECT: **HEARING OF FEBRUARY 8, 2018; TESTIMONY IN SUPPORT OF HB 1786, RELATING TO CONVEYANCE TAX**

Thank you for the opportunity to testify in support of this important measure. The purpose of this bill is to increase the conveyance tax on the sale of condominiums and single-family residences with a value of \$2 million or greater and allocate the revenue to the respective county's affordable housing fund

This measure is included in the Hawaii State Association of Counties' Legislative Package. Therefore, I offer this testimony on behalf of the Maui County Council.

I **support** this measure for the following reasons:

1. In each of the four counties, creating additional affordable housing units is a top priority. Demand is far outpacing supply and creative solutions and resources are needed for each county to uniquely address the dire shortage of housing.
2. Placing a conveyance tax on properties over \$2 million in value is a new way to generate additional revenue. Since the value is relatively high compared to average home prices, the transactions are not likely to adversely impact owners or working families.
3. Without a drastic change in the way affordable housing is supported, the ongoing housing supply crises will not be resolved. This proposal adds another tool to supplement the counties current efforts and will help to purchase existing housing units and other interests in real property; allow for the planning, design, or construction of housing units; allow for grants or loans to nonprofit organizations, including community land trusts; and allow for investment in public infrastructure.

For the foregoing reasons, I strongly **support** this measure.