

Panel OKs bill to waive fees on affordable housing

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WAILUKU – Seeking to cut the cost of affordable housing, the council Policy Committee voted unanimously Tuesday to recommend that the county waive thousands of dollars in county fees for builders of affordable housing.

Council Member Jo Anne Johnson said she hoped developers would pass the savings on to buyers and not thank the council for “just raising my profit margin.”

Committee Chairman Danny Mateo, who introduced the idea three years ago said he also hoped that the result would be lower cost housing. The proposed ordinance, which will go to the full council for first and second reading, provides for a review in three years to see how it is working.

Since the committee reviewed the bill earlier this month, two significant changes were introduced.

? If the project is 100 percent affordable, then all the fees are waived.

? If it is half affordable, then fees on the half that are affordable will be waived.

The county estimates that fees on a three-bedroom, single-family house are about \$17,800.

The big item is the parks dedication, which can add \$7,000 or more to the cost of developing a residential lot. The Department of Parks and Recreation was opposed to waiving the parks fee when the bill was reviewed earlier.

The bill would also reduce or eliminate permits, assessment and review costs for driveways, building plans, electrical work, wastewater infrastructure, plumbing, and grading and grubbing. Some of these fees are as small as \$30, but they add up.

The proposal amending the county’s Residential Workforce Housing Policy does not do away with water meter fees.

The housing policy adopted last year requires all new projects in Maui County to have an affordable housing component. The policy requires 40 percent of all units in a project to be priced at affordable rates if the market units are priced at \$600,000 or less; or 50 percent to be affordable if market-priced units are more than \$600,000.

The amendment applies the fee waiver to projects required to comply with the policy.

The committee also is asking the mayor to look at other ways of reducing the cost of development, such as making the permit process simpler.

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