

## Candidates need a plan for housing - Hawaii News - Honolulu

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The Howard Hughes Corp. has unveiled development plans for high-rises on the most visible parcels within its 60-acre holdings fronting Ala Moana Boulevard. The projects have been long anticipated but now are likely to take shape quickly, and that will change the face of Kakaako and the Honolulu waterfront.

Howard Hughes has applied for a permit from the Hawaii Community Development Authority to replace much of Ward Warehouse, which could be demolished in 2015, with two high-rises. And this is in addition to two more adjacent towers in the area.

Much of Kakaako's transformation is already entitled to Hughes and other landowners, but this latest proposal ought to signal to the next state administration that time for influencing the future of this precious urban hub is running out. The pace of redevelopment is accelerating, not all of it pegged to solving one of Honolulu's most critical needs: affordable housing.

HCDA has advanced its Kakaako plan significantly during the soon-to-expire term of Gov. Neil Abercrombie. One of three major candidates advancing to the Nov. 4 general election will succeed him. And during the campaign of the coming weeks, those hopefuls -- including frontrunners Democrat David Ige, Republican Duke Aiona and Hawaii Independent Party nominee Mufi Hannemann -- should be pressed to explain their own vision for Kakaako.

Further, the Office of Hawaiian Affairs is beginning the visioning process for its own property in the Kakaako Makai development zone, setting a Sept. 12 deadline for contract proposals to develop a master plan. Given the skyscrapers planned just across Ala Moana from OHA's property -- the 30 acres acquired in a \$200 million settlement with the state -- the wisdom of ensuring no more residential development on the makai side is plainly evident. The next administration, as well as the next contingent of lawmakers, must recommit to that policy, which seemed at great risk during the past legislative session.

Beyond Kakaako, the richest opportunity for addressing the shortage of affordable housing will materialize in the next few years. That potential lies in transit-oriented development, one of the long-promised benefits of Honolulu's fixed-rail transit system. Gubernatorial candidates should have a plan for cooperating with city government -- making state property available along the rail route, for example -- and making the most of this opening.

Much of the community discussion over the past few years has been focused on ensuring that Kakaako offers units affordable for purchase by Hawaii residents, and that is with good reason. Demand for residential units has far outstripped demand at all levels of the real estate market but especially for the lower end.

However, a recent report strongly suggests that Hawaii's greatest deficit lies in the housing available to its lowest-income citizens: rental units. The incentive to develop housing for rent pales by comparison to the lucrative profit potential of the real-estate sales market, so it falls to government to find ways to provide them.

The Hawaii Appleseed Center for Law and Economic Justice, a nonprofit advocacy organization, last

month issued its report, titled "Hawai'i's Affordable Housing Crisis: The High Cost of Our Affordable Housing Shortfall." The publication outlines clearly how severe the housing shortage has become for families contending with some of the highest living expenses in the nation.

Appleseed defines housing as "affordable" to a household that can pay no more than 30 percent of its income to cover basic shelter and utility bills. Families that must carve out larger slices from their budget for rent often have to sacrifice other necessities, and they live a paycheck away from losing that shelter. Hawaii's crushing homelessness problem stands as proof of the dire economic realities.

The Hawaii Housing Finance and Development Corp., the state agency tasked with incentivizing affordable housing projects through public-private partnerships and other programs, has made some encouraging progress. To cite just one recent example: It approved tax credits for senior housing in Mililani Mauka. Legislators have taken steps, too, including a new law to boost the Rental Housing Trust Fund by \$33.1 million.

So much more needs to be done if the state is to reduce the affordable housing shortage: In 2011 the HHFDC projected that Hawaii needed 50,000 new units by 2016 to meet demand, and we're a long way off pace.

Above all, this issue requires leadership at the top, something only the next governor can provide. Hawaii voters need to hear what candidates have in mind.

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