

## Facilitate more rental housing - Hawaii News - Honolulu Star-Advertiser

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The lack of affordable rental housing is a perennial issue in the City & County of Honolulu. There is limited land on which to build; developers can reap bigger profits building luxurious second homes for wealthy visitors than they can constructing modest rentals for local families; military folks with housing allowances may drive up rents in select neighborhoods; and dwellings that might otherwise be available on the long-term market instead bring in more cash as illegal vacation rentals.

Given that Hawaii's tourist economy includes many service-sector jobs that don't pay all that well, many households devote more than the recommended 30 percent of monthly income toward rent, and others are priced out of the market altogether. The persistent problem has mushroomed into a full-blown crisis, one that is evidenced by more than Oahu's growing and obvious homeless population.

The "fair market rent" for a two-bedroom apartment in Honolulu County skyrocketed 70 percent, to \$1,833, from 2005 to 2013. Meanwhile, median wages rose 22 percent, to \$18.18 per hour, during that time period, and the Consumer Price Index, or the cost of typical goods and services, rose 28 percent.

This growing chasm between what typical workers earn in Honolulu, and what it costs them to lead decent lives, must be bridged. Over time, our civil island society simply will not prevail if people see themselves as stuck in low-wage jobs with little hope of ever moving up in the world — or of even keeping a roof over their heads. That's exactly what happens when so much of a low-wage earner's monthly income goes toward rent. Money that should be spent on food, insurance, education or savings — in other words, the future — goes toward basic housing.

A report by the Hawaii Appleseed Center for Law and Economic Justice, which advocates for poor people, lays out some solutions. Elected officials should take heed. Most of these ideas are not new, but some have foundered due to lack of funding or of political will. False starts only worsen the problem in a state where 43 percent of households are renters.

The state and county governments must work together to encourage the private construction of small, single-occupancy apartment buildings, and to make it easier to add simple dwelling units to existing single-family lots. Nearly 25 percent of Hawaii households consist of only one person, individuals who could get along just fine in a 350-square-foot apartment, and would appreciate the cheaper monthly rent these so-called micro units fetch. Efficiency units this size are common in other expensive cities, such as Seattle, and should be more available here.

Oahu must capitalize on the once-in-a-lifetime opportunity the coming rail-transit system presents to forge ahead with transit-oriented development along the Kapolei-to-Ala Moana route, which is ripe not only for micro units, but also a mix of larger apartments suitable for working families. It takes an annual salary of \$65,600 to comfortably rent a two-bedroom Honolulu apartment at the current fair-market rate; increasing the supply would lower the price.

The state Legislature also should increase the rental tax credit, having failed to do so last session. The credit, available to renters earning up to \$30,000 a year, has languished at \$50 since 1981; an increase is overdue.

It will take all these efforts, and more, by the government and the private sector to make a real dent in Honolulu's shortage of truly affordable housing.

The best solutions are ones that recognize renters as vital players in a housing market that too often overlooks them, or, worse, tolerates their pain as the price of paradise.

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