



HAWAI'I APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

For Immediate Release

July 8, 2014

Contact

Victor Geminani, Executive Director

(808) 587-7605

victor@hiappleseed.org

HAWAI'I'S AFFORDABLE HOUSING CRISIS IS GETTING WORSE

Recommendations for policymakers on how to address our highest-in-the-nation housing costs and associated socioeconomic problems.

HONOLULU, Hawai'i — Housing is considered “affordable” when a household spends less than 30 percent of its income on shelter and utilities. Households that spend more are considered cost-burdened, and are frequently forced to make difficult financial tradeoffs with other basic necessities.

Securing affordable housing is a serious challenge for Hawai'i's low-income residents, who face the highest cost of shelter in the country. More than half of all renters do not live in affordable housing, while almost 80 percent of the state's 30,556 extremely low-income households are paying more than half of their income in rent.

Hawai'i Appleseed Center for Law & Economic Justice released a report today titled “Hawai'i's Affordable Housing Crisis: The High Cost of Our Affordable Housing Shortfall.” The report details the severity of Hawai'i's housing shortage and the financial strain it places on our working families, compiling the facts and figures needed to illustrate the dire situation facing Hawai'i.

“Our lack of affordable housing threatens our future,” said Hawai'i Appleseed Executive Director Victor Geminani. “Excessive housing costs are associated with poorer health indicators and cognitive functioning for children.”

The relatively low wages earned by Hawai'i's renters compounds the housing shortage. Rent increases have outpaced both wage growth and inflation for years. The “housing wage” needed to afford a two bedroom apartment at fair market rent (\$1,640/month) is \$31.54 an hour. However, the average wage of a Hawai'i renter is just \$13.86 an hour.

On average, even professionals such as teachers, police officers and construction workers do not earn Hawai'i's housing wage.

Today, for every 100 extremely low-income families, there are only 29 available affordable units, and these households face years-long waits for Section 8 vouchers or public housing. It's not just the present situation that is dire, however. Hawai'i is projected to need nearly 30,000 new housing units by 2016 to meet demand. Two-thirds of these units are needed for those who are considered low-income or below, yet little affordable housing—particularly rental units—is currently under development.

Hawai'i's acute homelessness crisis is one of the worst consequences of this affordable housing shortfall. We have the highest rate of homelessness in the nation, with no decrease in sight. More than 13,000 individuals throughout the islands received homeless services in 2013—42 percent of whom were new clients. Thousands more households are at risk of homelessness or are part of “the hidden homeless,” forced to double up with other families out of economic necessity.

Key recommendations in the report include:

- Increased government support and planning for affordable housing;
- Adopting innovative models such as micro-apartments and accessory dwelling units;
- Taking advantage of transit-oriented development and urban infill to maximize affordable housing creation; and
- Expanding use of the Housing First approach to quickly help stabilize people experiencing chronic homelessness.

###

Hawai'i Appleseed is working to build a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, coalition building and advocacy.