

## 4. HOUSING

### *THE PLAN: GOALS, POLICIES AND IMPLEMENTATION RECOMMENDATIONS*



*Housing provides shelter, security, comfort, and a place for entertainment, recreation, and self-expression. When readily attainable, housing can be taken for granted; however, when obtaining adequate housing is outside the financial reach of some families or individuals, it can negatively affect this segment of the population and severely decrease quality of life. Due to numerous factors, Maui's housing market has escalated dramatically in the last decade. With some of the highest housing prices in the Nation, many Maui residents are struggling to be able to afford housing on the island. This chapter outlines some steps that may be taken to provide adequate housing for all Maui residents.*



### THE CURRENT HOUSING SITUATION

Housing demand is the total number of occupied and vacant housing units needed for residents to be able to participate in the housing market. Recognizing that Maui's housing market includes residents and non-residents (vacation homeowners), housing demand has to be redefined to include demand from both groups.

**PROJECTED NON-RESIDENT HOUSING DEMAND 2005-2006**

<b>Community Plan Area</b>	<b>2005</b>	<b>2010</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>
Lahaina	523	1,046	1,569	2,269	2,969	3,669
Kihei-Makena	685	1,370	2,055	2,610	3,165	3,720
Wailuku-Kahului	382	764	1,146	1,265	1,384	1,503
Makawao-Pukalani	156	312	468	592	716	840
Paia-Haiku	183	366	549	584	619	654
Hana	72	144	216	217	218	219
<b>Total</b>	<b>2,001</b>	<b>4,002</b>	<b>6,003</b>	<b>7,537</b>	<b>9,071</b>	<b>10,605</b>

Table 4-1

**SUMMARY OF HOUSING ISSUES**

Maui residents, by almost any measure, face a critical housing situation:

- Maui residents spend a higher percentage of their income for housing than almost anyone else in the United States.
- Hawaii is highly susceptible to increased costs of steel, oil, construction materials and transportation.
- The off-shore housing market influences the available supply of housing for residents. The *Socio-Economic Forecast* reports the majority of these off-shore buyers purchased properties in Kihei-Makena and Lahaina areas. A supply problem arises when any owner – offshore or local – converts residential housing stock into non-residential uses (including vacation homes, or TVRs). The supply problem is compounded because many TVRs are also part-time vacation homes, with owners defraying mortgage costs by TVR use, thereby driving up housing costs.
- Similarly, the off-shore market instigates high levels of speculation in some economic cycles that may not occur in markets without the global draw Maui has.
- The high cost of land on Maui drives up the base prices of housing.
- There is no quick policy fix. There is no single policy that, by itself, can lead to an adequate supply of affordable housing. Policies that may work well during times of economic growth may not be well-suited to periods of financial downturn. Strategies that are focused on local residential use may not function well unless the vacation home and transient vacation rental markets are taken into consideration. Programs that are ideal when applied to large developments may be counter-productive when imposed on homeowners or small-scale builders.



## GOAL & POLICIES

***4.1 Goal: Maui will have safe, decent, sanitary and distinctive housing for all its residents, developed in a way that contributes to strong neighborhoods and a thriving island community.***

- 4.1.1** Encourage an equal amount of new single family and multi-family housing units to expand housing choices and meet the needs of residents.
- 4.1.2** Provide incentives to facilitate the development of multi-family housing.
- 4.1.3** Encourage the placement of rental housing projects in the same areas as for-sale housing to facilitate mixed-income communities.
- 4.1.4** Discourage the concentration of affordable housing units in single projects or neighborhoods.
- 4.1.5** Assure that housing is built in urban areas that allows those age 60 and older and those with special needs to continue to live in their homes and communities whenever possible.
- 4.1.6** Encourage homeowners and developers to create accessory dwellings that can be used to house family members or made available as rental units for residents.
- 4.1.7** Identify and facilitate the use of public lands in urban areas that are suitable for affordable residential housing.
- 4.1.8** Build livable communities that provide for a mix of housing types and land uses and maximize the efficient use of land.



## **ACTION PLAN**

The ongoing development of affordable, quality housing will require the cooperation of many public, private and non-profit entities. Housing and Human Concerns in conjunction with the Department of Planning, is likely to take the lead on most implementation activities.

- 4.1-Action-1**      Develop a comprehensive housing affordability strategy.
- 4.1-Action-2**      Work with State agencies to develop a more detailed housing reporting system to track indicators of supply, affordability, and quality.
- 4.1-Action-3**      Amend the zoning ordinance to accommodate housing in all areas where it may be desirable and provide for mixed-use and mixed housing types.
- 4.1-Action-4**      Develop incentive packages for private and non-profit affordable housing developers.
- 4.1-Action-5**      During the Community Plan process work with communities to determine where higher housing densities are acceptable and what design or facility considerations will be required to retain the communities' identities.
- 4.1-Action-6**      Revise the affordable housing ordinance to expand the definition of affordable housing so that a majority of new dwelling units constructed will meet the needs of low, moderate, and "gap" group income residents.

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