



HOUSING

9.1 INTRODUCTION AND ANALYSIS

Housing provides more than just shelter from the natural elements. A person's home is not only a place of security and comfort, but also a place for entertainment and recreation. Housing also allows a person to express his/her individual living styles by providing a place from which one can seek a psychological, sociological, economic and aesthetic balance. If the various functions that take place in the home do not meet the individual's personal and social needs, a housing problem may exist for that person. Housing programs, therefore, influence and are influenced by the many diverse needs of a person or persons.

In an economic setting, the construction of housing is an essential contributor to business, industry and employment. The location of housing on the other hand is dependent upon the location of other economic and employment opportunities, such as agriculture or resort developments.

In the physical and environmental setting, housing and its residential land use component utilizes a significant portion of the County's urban lands. The placement or settlement patterns of these residential lands and the form of housing are major influences on the environment and aesthetic setting of the island.

In the social and human realm, adequate housing is one of the primary factors that provides a person a sense of satisfaction and well being. For most families, it is a major expenditure of the household income and represents, in varying degrees, long term commitments to a place and/or community. In turn, these commitments contribute to a community's sense of well being and stability. When the cost of land, land improvements and home construction increases beyond a commensurate rise in personal income, it tends to discourage and prevent many individuals and families from purchasing a home.

From governments' perspective, adequate housing for residents is part of the considerations of public health, welfare and safety. Housing and residential use of land is a generator of government revenue through local real property taxes. The revenues are balanced by significant expenditures of public funds for roads, schools, protective services and other capital improvement projects that service residential areas. Thus, the provision of housing requires the coordination of planning and implementation on all levels of government.

The availability of housing is dependent on a number of interrelated factors, including the availability of appropriately zoned land and infrastructure, and the cost of raw land and its

§9.1: Introduction And Analysis

development. The Housing element must consider future costs of constructing a house and the ability of individuals to purchase or rent these units. In the social sense, the provision of housing needs to consider the kinds of people who reside here or are likely to reside here and their preferences with respect to type, size, location and other factors.

In the collective sense, the Housing Element is related to all other elements of the General Plan. It is most directly related to the Land Use element, Single family and Multiple family residential sections. Moreover, the Housing Element is directly influenced by the growth directions that the County wishes to take.

The Role of Government

Since the 1930s, the Federal government has played a major role in the provision of housing and home ownership through direct housing construction projects, home mortgage insurance programs, loan programs for special groups such as veterans and farmers, and direct subsidies to State governments.

The Territory of Hawaii and subsequently, the State of Hawaii, through the Hawaii Housing Authority, has been responsible for administering Federal housing programs. Until the mid-1970, the State Hawaii Housing Authority served as the major agency to develop rental housing projects for low income families and provide housing for sale to low and moderate income groups. In 1998, three State housing agencies, including the Hawaii Housing Authority, were consolidated into the Housing and Community Development Corporation of Hawaii (HCDCH). The Hawaii Community Development Corporation of Hawaii seeks to expand the supply of safe and affordable housing; provide for well-maintained, socio-economically integrated housing projects; assist residents in reaching higher levels of self-sufficiency; and effectively address the housing needs of Hawaii's residents.

In addition, through a 1920 Congressional act, lands have been set aside for eligible native Hawaiians for residential and agricultural purposes. Through the State Hawaiian Homes Commission and Department of Hawaiian Home Lands, houselots on a leasehold basis are made available to eligible native Hawaiians. In the mid-80s, the Department established an accelerated program to provide lands for residential and agricultural purposes.

Since the adoption of the County of Hawaii's General Plan in 1971, Federal housing and community redevelopment programs have been reorganized under the 1974 Housing and Community Development Act. This federal legislation placed much of the initiative for addressing community housing needs to the local government level.

Additionally, county governments have been granted similar and parallel authorities to the State's Hawaii Housing Agency. As a result, the County established the Hawaii County Housing Agency (HCHA) and the Office of Housing and Community Development.

opment (OHCD) that provides staff services to the HCHA. The Hawaii County Housing Agency, which is comprised of the members of the Hawaii County Council, has the capability to develop affordable housing either on its own, in conjunction with the State, or through joint programs with the private sector. The Office of Housing and Community Development administers the Federal Section 8 rental assistance program benefiting low income families, manages several housing projects and administers grants funded under the 1974 Housing and Community Development Act. Consequently, the County has the authority and the funds to directly address the housing problems of the County along with the Federal and State governments.

Since 1975, the Office of Housing and Community Development has developed on its own, and/or coordinated various housing projects with other government agencies, developers, and nonprofit housing corporations. These projects have been aimed at providing housing for a variety of need categories such as employee housing, low and moderate income groups, special needs groups and the elderly. Since the construction of the first affordable housing project in Hilo in 1951, approximately 5,600 units, both single family and multiple family units have been constructed or rehabilitated through various projects of the Office of Housing and Community Development, Housing and Community Development Corporation of Hawaii (HCDCH) and the private sector. In 1999, there were approximately 1,299 contracts for rental assistance through the Office of Housing and Community Development, with 474 persons on the waiting list. The Housing and Community Development Corporation of Hawaii has also participated in the provision of housing units for low income groups.

While the County has been granted more authority in the provision of housing, in recent years, the programs administered by both the Federal and the State governments have changed. The State's programs are giving greater emphasis to distributing funds for housing and/or rental programs and serving as a coordinator of financing programs and has placed less emphasis on both direct housing construction activities and the management of housing programs. The State as a major landowner, however, has the ability to release lands for housing projects.

In support of the County's ongoing efforts to provide adequate affordable housing to its residents, the Hawaii County Council established an affordable housing policy in 1998 through the adoption of Ordinance No. 98 1. The objectives of this affordable housing policy are to: 1) implement the goals and policies of the General Plan relative to housing; 2) promote and assist private development of affordable housing for senior citizens and qualified households; 3) use available governmental grants and funds in the development of affordable housing and increase the capabilities of qualified households to obtain affordable housing; 4) support innovative, lower-cost approaches that may be used in the development of affordable housing; and 5) require large resort and industrial enterprises to address related affordable housing needs as a condition of rezoning approvals, based upon current economic and housing conditions.

§9.1: Introduction And Analysis

The change in the Federal programs are largely reflected in drastic reductions in funds for housing projects and programs, and reduced subsidies to the State. It is also apparent that there will continue to be a reduction in Federal funds, particularly for the construction of housing for low and moderate income groups. As the major source of funds for housing programs, these changes have had major implications on the County's role in the provision of housing for its residents; particularly since significant factors that contribute to the ability of residents to purchase homes are outside the direct influence of the County government and are external to the economy of Hawaii. These factors include loan interest rates that are significantly impacted by federal financial and monetary policies.

The development of assisted housing in Hawaii County will increasingly depend on non-Federal funds. Additionally, a broad range of mechanisms must be utilized by the County to facilitate, coordinate and implement the development of both assisted and market residential housing.

Profile

In order to identify and anticipate the housing needs within the County of Hawaii, and to encourage the opportunities for housing, the demographic, economic, housing construction and land inventory data for the County are provided in tables on the following pages.

Analysis - Trends

Several major issues and problems faced by Hawaii County continue to involve housing. Rapid population growth in some areas of the County has not been accompanied by parallel growth in affordable residential housing construction. The rate of increase in the price of land, the cost of housing construction and the rate of growth in earning power of many residents also contribute to the lack of affordable housing opportunities. Thus, proportionately fewer residents are able to afford the purchase of a home. In 1997, SMS Research & Marketing Services and Locations, Inc., in cooperation with the State Housing Finance and Development Corporation (HFDC) and the various Counties' housing agencies, prepared the Hawaii Housing Policy Study Update 1997 that reviewed various housing issues throughout the State of Hawaii. According to the study, a family with a median annual income of approximately \$30,300 would qualify for an "affordable" home priced in the neighborhood of \$140,000. However, this study also concluded that approximately 36 per cent of the total households on this island fall below the median annual income.

According to the 1999 Homeless Needs Assessment Study-Summary of Findings prepared by the State Housing and Community Development Corporation of Hawaii, the Department of Hawaiian Home Lands and the various counties, the most prominent need for unsheltered homeless people within the County of Hawaii is housing placement. The study found that existing housing placement services were only able to ser-

§9.1: Introduction And Analysis

vice 40 per cent of the unsheltered homeless people residing in the County, the largest percentage of who were lifetime or long-time residents. The study also estimated that there are between 585 and 733 sheltered/unsheltered homeless people islandwide. There are an estimated 10,871 individuals in the County defined as “hidden homeless”, or those who share accommodations with others dependent on public assistance for monthly shelter payments. According to experts in homeless services, the most prominent need of service providers was additional funding for services such as transitional housing, affordable housing, job and life skills training, and other assistance services.

The ability of households to purchase or rent a home, or what is commonly understood as "affordability", is dependent upon many factors that vary among households and individuals' choices in lifestyles and also differ due to location and financing. While quantitative descriptions of need groups and limitations may be made for the present, only general trends and order of magnitude estimates may be made for the future. It is expected, however, that the proportion of the resident population requiring some assistance in purchasing a home will continue to increase.

Housing sales activity, both new and resale, has been uneven and difficult to predict. The housing industry's traditional construction cycle has been complicated by periods of high interest rates. Federal housing policies and funding have also changed. The net result is that housing activity and housing programs will be difficult to predict for the foreseeable future. Housing priorities and programs today may be very different from those in the future.

In existing urban areas, the supply of readily available housing and residential zoned lands is nearing a point where flexibility in choice of location and price will be limited and will contribute to rising costs of housing unless additional and alternative areas are made available for residential development.

In rural and agricultural areas, affordable housing for both independent farmers and agricultural employees place competitive demands on the land. In addition to the expanding urban needs, rural and agricultural lands are being sought for rural/residential estate use.

In addition, in rural areas, the age of the existing housing stock suggests that future new housing will be necessary to replace these units.

The increasing role of agriculture has created implications for housing of the agricultural worker. The residents of the rural areas of the County constitute a special population by virtue of their relative isolation, lower average incomes, lack of employment opportunities and mobility. The housing problems of these areas are proportionately more acute in the rural areas and communities than in the urbanized areas in the State.

§9.1: Introduction And Analysis

The residents of the rural areas tend to be agricultural workers or individuals directly employed in self-contained destination resort areas; industries that play a vital role in Hawaii's economy but tend to be associated with relatively low average annual income, particularly compared to non-service industry jobs.

County Profile

Table 9-1. Population and Households, County of Hawaii, 1980-2000

Year	Population	Households
2000	148,677	not available
1997	141,848	49,617
1990	120,317	42,413
1980	92,053	29,237

Estimate-County of Hawaii Planning Department
 Estimate-County of Hawaii Data Book, 1998
 U.S. Census, 2000

Table 9-2. Inventory of Housing Units, County of Hawaii, 1992 & 1997

Year	Total	Single Family	Multiple Family, Condominium, Other
1997	54,643	43,979	10,664
1992	45,408	36,170	9,238

Hawaii Housing Policy Study - SMS Research, 1997

Table 9-3. Housing Ownership vs. Rental, County of Hawaii, 1980, 1992 & 1997

Year	Fee	Rental
1997	33,446 72%	12,825 28%
1992	26,977 68%	12,812 32%
1980	17,731 61%	11,506 39%

Hawaii Housing Policy Study - SMS Research, 1997



§9.1: Introduction And Analysis

Table 9-7. Tax Parcels by Tax Map Zone, 1969, 1985 & 1999

Tax Map Zone	District	1999	1985	1969	%Growth (1985-1999)
Total		124,930	120,353	101,848	3.8
Zone 1	Puna	57,363	56,992	54,654	0.7
Zone 2	S. Hilo	19,440	18,126	14,323	7.3
Zone 3	N. Hilo	1,508	1,416	1,217	6.5
Zone 4	Hamakua	3,801	3,601	2,857	5.6
Zone 5	N. Kohala	2,957	2,284	1,712	29.5
Zone 6	S. Kohala	6,218	4,822	2,526	30.0
Zone 7	N. Kona	11,169	10,094	5,100	10.7
Zone 8	S. Kona	5,529	5,737	4,770	-3.6
Zone 9	Ka'u	16,945	17,281	14,689	-1.9

Hawaii Housing Policy Study - SMS Research, 1997
 Estimates – Planning Department

Table 9-8. Income Distribution by District, <\$25,000, 1970 to 1990

District	Less than \$10,000			\$10,000 to \$15,000			\$15,000 to \$25,000		
	1970	1980	1990	1970	1980	1990	1970	1980	1990
Puna	783	1,340	1,709	254	701	863	146	965	1,414
S. Hilo	3,623	3,856	2,322	2,131	1,884	1,209	1,612	3,079	2,341
N. Hilo	282	161	425	62	90	316	80	172	678
Hamakua	662	388	131	254	237	88	132	524	259
N. Kohala	412	381	157	214	184	116	105	330	240
S. Kohala	317	284	248	123	323	182	97	510	378
N. Kona	622	1,110	707	313	649	590	202	1,275	1,376
S. Kona	377	526	361	185	313	199	199	420	499
Ka'u	510	343	212	153	222	270	88	417	350
TOTAL	7,588	8,389	6,272	3,689	4,603	3,833	2,661	7,692	7,535

U.S. Census
 County of Hawaii Data Book, 1998; 1989 General Plan



§9.2: Goals

In addition to the increasing size of this population, the encouragement of retirement communities or the attractiveness of Hawaii as a place of retirement will require a re-assessment of housing and public service needs.

9.2 GOALS

- (a) Attain safe, sanitary, and livable housing for the residents of the County of Hawaii.
- (b) Attain a diversity of socio-economic housing mix throughout the different parts of the County.
- (c) Maintain a housing supply that allows a variety of choices.
- (d) Create viable communities with affordable housing and suitable living environments.
- (e) Improve and maintain the quality and affordability of the existing housing inventory.
- (f) Seek sufficient production of new affordable rental and fee-simple housing in the County in a variety of sizes to satisfactorily accommodate the needs and desires of families and individuals.
- (g) Ensure that housing is available to all persons regardless of age, sex, marital status, ethnic background, and income.
- (h) Make affordable housing available in reasonable proximity to employment centers.
- (i) Encourage and expand home ownership opportunities for residents.

9.3 POLICIES

- (a) Encourage a volume of construction and rehabilitation of housing sufficient to meet growth needs and correct existing deficiencies.
- (b) Encourage the construction of specially designed facilities or communities for elderly persons needing institutional care and small home care units for active elderly persons.
- (c) Encourage corporations and nonprofit organizations to participate in Federal, State and private programs to provide new and rehabilitated housing for low and moderate income families.
- (d) Support the construction of housing for minimum wage and agricultural workers.
- (e) Continue to review codes and ordinances for overly stringent restrictions that may impose unnecessary hardship and adopt amendments if warranted.
- (f) Continue to study and implement appropriate measures to curb property speculative practices that result in increased housing costs.

- (g) Large industries or developments that create a demand for housing shall provide employee housing based upon a ratio to be determined by an analysis of the locality's needs.
- (h) Formulate a program for housing that identifies specific mechanisms to implement the housing goals.
- (i) Intilize housing powers and programs to accomplish housing goals and seek out new programs and resources to address the housing needs of the residents.
- (j) Initiate and participate in activities with the private sector including the provision of leadership and expertise to neighborhoods and nonprofit organizations in the development of housing and community development projects.
- (k) Increase rental opportunities and choices in terms of quality, cost, amenity, style and size of housing, especially for low and moderate income households.
- (l) Support programs that improve, maintain, and rehabilitate the existing housing inventory to maintain the viability of existing communities.
- (m) Accommodate the housing requirements of special need groups including the elderly, handicapped, homeless and those residents in rural areas.
- (n) Investigate, develop, and promote the creation of new innovative and timely financing techniques and programs to reduce the cost of housing.
- (o) Encourage the use of suitable public lands for housing purposes in fee or lease.
- (p) Encourage the construction of homes for lease or lease with option to purchase.
- (q) Promote research and development of methods, programs, and activities including the review of regulatory requirements and procedures as they affect housing, to reduce the costs consistent with the public health, safety and welfare.
- (r) Adopt appropriate ordinances and rules as necessary to implement its housing programs and activities.
- (s) Utilize financing techniques that reduce the cost of housing, including the issuance of tax-exempt bonds and the implementation of interim financing programs.
- (t) Ensure that adequate infrastructure is available in appropriate locations to support the timely development of affordable housing.
- (u) Investigate the use of the County's taxing powers as a possible means to increase the supply of affordable housing.
- (v) Work with, encourage and support private sector efforts in the provision of affordable housing.
- (w) Encourage the development of affordable retirement communities.
- (x) Vacant lands in urban areas and urban expansion areas should be made available for residential uses before additional agricultural lands are converted into residential uses.

§9.4: Standards

- (y) Aid and encourage the development of a wide variety of housing to achieve a diversity of socio-economic housing mix.

9.4 STANDARDS

Housing standards shall consist of and comply with:

- (a) Building Code
- (b) Electrical Code
- (c) Plumbing Code
- (d) Zoning Code
- (e) Subdivision Code
- (f) Standards of the single-family and multiple residential land use elements.

9.5 DISTRICTS

The following are summary profiles and analyses of each district.

9.5.1 Puna

9.5.1.1 Profile

The Puna district continues to experience tremendous growth in population and housing construction. The availability of residential sized lots at relatively inexpensive prices, and its proximity to the Hilo urban and employment center has contributed to this growth.

Most of the growth in housing construction has been single-family residential units. This growth occurred in the non-conforming subdivisions created prior to the adoption of the zoning and subdivision codes and are without basic infrastructure. As a result, many of the homes are served by individual water catchments, electric generators, propane tanks and substandard roadways.

According to the Hawaii Housing Policy Update Study 1997, an additional 3,780 single family dwellings were constructed in the Puna District between the years 1990 and 1996; more than double the number constructed in the other districts. However, the Puna District also has the largest number of vacant parcels, which indicates further potential for in-filling of existing subdivisions.

The Hawaii Island Community Development Corporation (HICDC) has provided assistance with the construction of self-help housing within the Puna district. Since 1985, the Hawaii Island Community Development Corporation assisted with the de-

velopment of the 15 single-family residential units within the Pacific Paradise Gardens development and additional 20 units within Keaau.

Table 9-10. Population and Households, District of Puna, 1980 to 2000

Year	Population	Households
2000	31,335	Not available
1990	20,781	7,136
1980	11,751	3,831

Economic Assessment, PKF Hawaii, January 2000
 County of Hawaii Data Book, 1998
 U.S. Census, 2000

Table 9-11. Existing Housing Inventory, District of Puna, 1992 & 1997

Year	Total	Single Family	Multiple Family, Condominium
1997	10,872	10,818	54
1992	7,456	7,418	38

Hawaii Housing Policy Study – SMS Research, 1997

Table 9-12. Housing Ownership, District of Puna, 1992 & 1997

Year	Single Family, % Fee Simple	% of All Units, Owner Occupied
1997	97	59
1992	96	56

Hawaii Housing Policy Study - SMS Research, 1997

Table 9-13. Age of Housing Structures, District of Puna

Type of Structure	Year Built							Total
	No data	<1950	1950-1959	1960-1969	1970-1979	1980-1989	1990-1997	
Single Family	0	696	263	364	2,077	3,638	3,780	10,818
Multiple Family, Condominium	0	2	0	23	28	1	0	54

Hawaii Housing Policy Study - SMS Research, 1997

§9.5.2: South Hilo

According to the Hawaii Housing Policy Study Update 1997, there are approximately 8,155 households in the Puna District. Approximately 33 per cent of the households in Puna have annual household incomes of less than \$25,000. Approximately 18 per cent have annual household incomes of less than \$15,000. Nevertheless, approximately 82 per cent of the housing units are owned in fee. Another interesting figure is that 98 per cent of all housing units in the Puna District are single family dwellings, the highest percentage of all the districts on this island.

9.5.1.2 Courses of Action

- (a) Consider and encourage the use of a variety of mechanisms to provide the necessary infrastructure in nonconforming subdivisions.
- (b) Encourage the maintenance and rehabilitation of the existing housing inventory to maintain the viability of existing communities.

9.5.2 South Hilo

9.5.2.1 Profile

The South Hilo district remains the center for commercial, industrial, governmental and service activities for Hawaii County. The growth in population and housing construction in the district has slowed from its peak in the 1970's, which saw the construction of approximately 3,600 homes. Approximately 2,350 homes were constructed in the 1980s and in the last six years ending in 1996, an additional 1,710 homes were built.

Within Hilo, residential subdivisions have occurred mostly within the Kaumana, Waiakea Homesteads and Waiakea Uka areas (southwest portion of the city).

Nevertheless, available and accessible lands for residential use within the city limits and southeast of Wailuku River are very nearly reaching the limits presently allowed by the General Plan. Existing areas allowed for alternate urban expansion in the area between Kaumana and Waiakea will require infrastructure (including major access roads) improvements and are also severely limited by drainage and floodway zones. Without improvements in the channelization or diversion at upper elevations, there is limited potential for use.

Other housing problems continue to revolve around the provision of housing for low-income and elderly housing needs. According to 1990 census data, approximately 11 per cent of all families in the district of Hilo were below the poverty level.

Table 9-14. Population and Households, District of South Hilo, 1980 to 2000

Year	Population	Households
2000	47,386	Not available
1990	44,639	15,533
1980	42,278	13,251

Economic Assessment, PKF Hawaii, January 2000
 County of Hawaii Data Book, 1998
 U.S. Census, 2000

Table 9-15. Existing Housing Inventory, District of South Hilo, 1992 & 1997

Year	Total	Single Family	Multiple Family, Condominium
1997	16,035	13,829	2,206
1992	14,600	12,398	2,202

Hawaii Housing Policy Study – SMS Research, 1997

Table 9-16. Housing Ownership, District of South Hilo, 1992 & 1997

Year	Single Family, % Fee Simple	% of All Units, Owner Occupied
1997	94	61
1992	93	62

Hawaii Housing Policy Study - SMS Research, 1997

Table 9-17. Age of Housing Structures, District of South Hilo

Type of Structure	Year Built							Total
	No data	<1950	1950-1959	1960-1969	1970-1979	1980-1989	1990-1997	
Single Family	0	2,743	1,622	1,766	3,610	2,369	1,719	13,829
Multiple Family, Condominium	340	53	6	433	983	101	290	2,206

Hawaii Housing Policy Study - SMS Research, 1997

There has been a recurring shortage of housing for students at the University of Hawaii at Hilo. A study prepared for the State in 1985 concludes that the shortage of stu-

§9.5.3: North Hilo

dent housing has been a deterrent to the realization of an increase in enrollment at the Hilo Campus. A 1990 Housing Program Review found that in addition to the recurring housing shortage, all of the housing facilities are faced with serious maintenance and renovation needs.

The State's housing agency and the Office of Housing and Community Development has also participated in constructing 182 units for elderly housing within the district. Since 1985, the Hawaii Island Community Development Corporation has assisted with the construction of eight self-help single family dwellings in Pepekeo. The Hawaii County Economic Opportunity Council is responsible for the development of 30 single family self-help dwellings on Hawaiian Home Lands in Keaukaha during the past decade.

The State and County have been active in the Hilo area through subdivisions of State-owned lands for low and moderate income families.

9.5.2.2 Courses of Action

- (a) Encourage the State to provide student, faculty, and staff housing for the University of Hawaii at Hilo and the Hawaii Community College.
- (b) Aid and encourage in a variety of programs for the replacement or rehabilitation of housing units.
- (c) Aid and encourage housing projects for low and moderate income families, "gap-groups" and the elderly.
- (d) Aid and encourage the development of State lands for housing for all socio-economic levels through leasehold or purchase.

9.5.3 North Hilo

9.5.3.1 Profile

The communities of this district are the direct result of the former sugar industry. Housing in the past was provided by the sugar companies. The closing of Hilo Coast Processing sugar company in 1994 also terminated the sugar company's employee rental housing program.

The district has had little activity with respect to housing construction. Over half of the residential structures in the district are over 30 years old. Further, this district has seen a dramatic increase in fee home ownership during the 1990s. In the mid 1980s, only 40 per cent of homes in the district were owned in fee simple. With the closing of the sugar companies came the opportunity for many former plantation workers to purchase their homes. This dramatic change in homeownership is evidenced by 98 per cent of all homes in this district now owned in fee simple.

The district also has a limited supply of vacant parcels available for housing and the least amount of subdivision activity over the past few decades. However, since the district's economic and employment opportunities are anticipated to remain stable with little or no population growth, this limitation on the availability of lots is not likely to present or cause major housing problems for the district.

Table 9-18. Population and Households, District of North Hilo, 1980 to 2000

Year	Population	Households
2000	1,720	Not available
1990	1,541	506
1980	1,679	510

Economic Assessment, PKF Hawaii, January 2000
 County of Hawaii Data Book, 1998
 U.S. Census, 2000

Table 9-19. Existing Housing Inventory, District of North Hilo, 1992 & 1997

Year	Total	Single Family	Multiple Family, Condominium
1997	626	612	14
1992	599	585	14

Hawaii Housing Policy Study – SMS Research, 1997

Table 9-20. Housing Ownership, District of North Hilo, 1992 & 1997

Year	Single Family, % Fee Simple	% of All Units, Owner Occupied
1997	98	66
1992	98	46

Hawaii Housing Policy Study - SMS Research, 1997

§9.5.4: Hamakua

Table 9-21. Age of Housing Structures, District of North Hilo

Type of Structure	Year Built							Total
	No data	<1950	1950-1959	1960-1969	1970-1979	1980-1989	1990-1997	
Single Family	0	235	49	38	109	98	83	612
Multiple Family, Condominium	0	10	0	0	0	0	4	14

Hawaii Housing Policy Study - SMS Research, 1997

9.5.3.2 Course of Action

- (a) Coordinate and participate with the State and Federal governments in providing rural housing programs for low and moderate income families, "gap groups" and the elderly.

9.5.4 Hamakua

9.5.4.1 Profile

Most of the historical population growth in the communities of this district was directly related to the growth of the now defunct sugar industry. However, a number of the dispersed communities in the area were created through the Homesteading Acts of the Territory of Hawaii.

The district has increased slightly in population from 5,128 in 1980 to approximately 6,108 in 2000. This was an increase of 10 per cent over a 20-year period. The relative proximity of this district to the South Kohala resort areas and urbanizing Waimea has contributed to defining the Hamakua District as a residential "bedroom" community to these employment centers. Upon the closing of the Hamakua Sugar Company in 1994 and the cessation of its housing programs for its employees, the Office of Housing and Community Development (OHCD) coordinated the use of Federal funds totaling \$1,600,000 to preserve the economic vitality and secure the social structure of communities from Hilo to Hamakua. This was accomplished by assisting the non-profit Hamakua Housing Corporation to subdivide the defunct Hamakua Sugar plantation camps into individualouselots. Assistance in obtaining title to the newly subdividedouselots was then provided to those former Hamakua Sugar Company’s employees who participated in the final harvest. Upon completion of the conveyance process, OHCD established a program by which qualified owners of the plantation homes were given a \$2,250 grant specifically for emergency improvements to the plantation homes. Over 300 plantation homeowners benefited from this program. Other programs included the design of water distribution systems in Paauilo and Ookala, train-

Table 9-24. Housing Ownership, District of Hamakua, 1992 & 1997

Year	Single Family, % Fee Simple	% of All Units, Owner Occupied
1997	98	67
1992	82	48

Hawaii Housing Policy Study - SMS Research, 1997

Table 9-25. Age of Housing Structures, District of Hamakua

Type of Structure	Year Built							Total
	No data	<1950	1950-1959	1960-1969	1970-1979	1980-1989	1990-1997	
Single Family	0	788	192	136	293	283	214	1,906
Multiple Family, Condominium	40	16	2	1	5	13	36	113

Hawaii Housing Policy Study - SMS Research, 1997

9.5.4.2 Course of Action

- (a) Aid and encourage programs to rehabilitate and replace the existing housing inventory, including consideration for self-help programs.

9.5.5 North Kohala

9.5.5.1 Profile

Since 1971, Kohala Sugar Company has terminated its sugar operations and many of the plantation's former employees moved out of the district to seek employment elsewhere. However, the district witnessed only a 2 per cent decrease in its population during the 1970s. Population in the 1980s grew at an annual rate of 3.2 per cent with the 1990s averaging about 2 per cent. The population increases by about 40 per cent between 1990 and 2000. Most of the residents of North Kohala are employed in agriculture, including ranching, as well as the visitor industry. Approximately 6.4 per cent of the households in the district reported incomes below the poverty level in 1990.

Table 9-26. Population and Households, District of North Kohala, 1980 to 2000

Year	Population	Households
2000	6,038	Not available
1990	4,291	1,351
1980	3,249	1,022

Economic Assessment, PKF Hawaii, January 2000
 County of Hawaii Data Book, 1998
 U.S. Census, 2000

Table 9-27. Existing Housing Inventory, District of North Kohala, 1992 & 1997

Year	Total	Single Family	Multiple Family, Condominium
1997	1,599	1,496	103
1992	1,228	1,210	18

Hawaii Housing Policy Study – SMS Research, 1997

Table 9-28. Housing Ownership, District of North Kohala, 1992 & 1997

Year	Single Family, % Fee Simple	% of All Units, Owner Occupied
1997	96	66
1992	97	62

Hawaii Housing Policy Study - SMS Research, 1997

Table 9-29. Age of Housing Structures, District of North Kohala

Type of Structure	Year Built							Total
	No data	<1950	1950-1959	1960-1969	1970-1979	1980-1989	1990-1997	
Single Family	0	211	283	141	215	276	370	1,496
Multiple Family, Condominium	0	3	3	3	10	28	56	103

Hawaii Housing Policy Study - SMS Research, 1997

Although the population in North Kohala declined slightly in the years between 1970 and 1980, the North Kohala district continues to experience moderate increases in

§9.5.6: South Kohala

housing construction and subdivision activity. Approximately 41 per cent of the district's housing inventory was built over 30 years ago. While subdivision activity continues to occur throughout the district, most are limited to smaller subdivisions by individual landowners who seek to subdivide their large agricultural parcels into smaller parcels. Exceptions include the 113-lot Maliu Ridge subdivision and the 477-lot Kohala Ranch subdivision.

Since 1985, the Hawaii Island Community Development Corporation has assisted with the construction of ten self-help single family dwellings in Ainakea Village.

9.5.5.2 Courses of Action

- (a) Require developments that create a demand for employee housing provide for that need.
- (b) Aid and encourage programs to rehabilitate and replace the existing housing inventory, including consideration for self-help programs.

9.5.6 South Kohala

9.5.6.1 Profile

Since the 1970s, the population of South Kohala nearly doubled with every passing decade with a 1990 population of 9,140. According to the 2000 census, the population of South Kohala was 13,131 for a 44 per cent increase since 1990. Between the years 1992 and 1997, the number of housing units within the South Kohala District grew by 23 per cent.

Housing construction and subdivisions of land have been most active on the eastern side of Waimea and in Waikoloa Village. Slightly more than half of the newly created parcels in the district occurred at Waikoloa. Housing construction in Waikoloa Village increased by 589 units (including multiple-family apartments and condominiums) between the years 1970 and 1985 with a total of 2,170 units by the end of 1997.

Government agencies have participated jointly with private developers and nonprofit housing corporations to provide employee housing for the coastal resort developments in South Kohala at Waimea and Waikoloa. In addition, Boise Cascade, the original developer of Waikoloa Village, provided lots in the Waikoloa Village subdivision to its initial employees. Waikoloa Village contains a sizable amount of undeveloped, residential-zoned lands that will eventually contribute significantly to the district's housing inventory. While these residential-zoned lands will most likely be developed as market-priced homesites, approximately 300 acres of land situated makai of Waikoloa Village was dedicated by the Waikoloa Development Company to the County of Hawaii for affordable housing projects.

By the end of 1997, 177 single family dwellings and 94 apartment units were constructed. Since 1985, a total of 12 self-help single family dwellings were constructed in Ouli. An additional ten self-help units are currently under construction.

The continuing resort development along the coast is anticipated to increase the need for employee housing and other residential needs as more in-migration occurs.

It is apparent that in addition to residential lands, other commercial and urban lands will be required to service incoming populations.

Table 9-30. Population and Households, District of South Kohala, 1980 to 2000

Year	Population	Households
2000	13,131	Not available
1990	9,140	3,095
1980	4,607	1,483

Economic Assessment, PKF Hawaii, January 2000
 County of Hawaii Data Book, 1998
 U.S. Census, 2000

Table 9-31. Existing Housing Inventory, District of South Kohala, 1992 & 1997

Year	Total	Single Family	Multiple Family, Condominium
1997	5,798	3,625	2,173
1992	4,722	2,841	1,881

Hawaii Housing Policy Study – SMS Research, 1997

Table 9-32. Housing Ownership, District of South Kohala, 1992 & 1997

Year	Single Family, % Fee Simple	% of All Units, Owner Occupied
1997	90	38
1992	89	30

Hawaii Housing Policy Study - SMS Research, 1997

Table 9-33. Age of Housing Structures, District of South Kohala

Type of Structure	Year Built							Total
	No data	<1950	1950-1959	1960-1969	1970-1979	1980-1989	1990-1997	
Single Family	0	189	194	214	804	1,168	1,056	3,625
Multiple Family, Condominium	43	7	9	6	147	1,122	839	2,173

Hawaii Housing Policy Study - SMS Research, 1997

9.5.6.2 Courses of Action

- (a) Require developments that create a demand for employee housing provide for that need.
- (b) Aid and encourage the development of State lands for housing for all socioeconomic levels through leasehold or purchase.
- (c) Aid and encourage housing programs for low and moderate income, "gap groups" and the elderly.
- (d) County-owned land at Waikoloa Village shall be made available for the development of affordable housing.

9.5.7 North Kona

9.5.7.1 Profile

The North Kona district had the second greatest percentage increase in population over the last 30 years, from 4,832 persons in 1970 to 28,543 in 2000. The Puna District saw a slightly greater percentage increase in population during the same period.

Housing units have increased from 9,150 in 1985 to 12,254 in 1997, representing an annual growth rate of approximately 2.8 per cent.

In spite of continuing moderate growth of subdivision activity and housing construction in the North Kona district, housing problems for the low and moderate income groups have been particularly acute. In 1990, approximately 7 per cent of all households within the district reported incomes below the poverty level. In addition, these families compete with the visitor market for rental of apartment and condominium units.

State and County housing agencies have participated directly in the provisions of house and lot packages at Kealakehe Houselots, that account for 92 single family units

§9.5.7: North Kona

for low and moderate income groups. Additionally, both have participated jointly either with private developers and/or nonprofit housing corporations to provide both low income and elderly units for a total of 1,025 units constructed in the district since the early 1970s. The Department of Hawaiian Home Lands developed the Kaniohale (La'i'opua) Residential Subdivision in Kealakehe, just north of Kailua-Kona. The project consists of 184 developer-built single family dwellings, 41 self-help homes and a community center. This project is part of a 1,015-acre master-planned community called the Villages of La'i'opua, which will consist of 4,082 single-family and multiple-family residential units, recreational facilities, and community and neighborhood commercial complexes. This project is being managed by the State Housing Finance and Development Corporation (HFDC).

Since 1985, the Hawaii Island Community Development Corporation has assisted with the construction of 19 self-help single family dwellings in Kalaoa View subdivision, an affordable housing development located north of Kailua. Hualalai Elderly complex, a 30-unit affordable housing complex, was also constructed in Kailua.

It is anticipated that the rate of in-migration into the district will continue, as will the need for housing for residents. Rezoning actions for large scale residential subdivisions have occurred in the area between Kailua and Keauhou. When subdivided, additional lands will be provided for residential use. Nevertheless, land costs and market prices that have been influenced by investor and resort/residential markets may preclude purchase of house and lot packages by many households in the district.

Table 9-34. Population and Households, District of North Kona, 1980 to 2000

Year	Population	Households
2000	28,543	Not available
1990	22,284	7,898
1980	13,748	4,602

Economic Assessment, PKF Hawaii, January 2000
County of Hawaii Data Book, 1998
U.S. Census, 2000

Table 9-35. Existing Housing Inventory, District of North Kona, 1992 & 1997

Year	Total	Single Family	Multiple Family, Condominium
1997	12,258	6,880	5,378
1992	10,890	6,067	4,823

Hawaii Housing Policy Study – SMS Research, 1997

Table 9-36. Housing Ownership, District of North Kona, 1992 & 1997

Year	Single Family, % Fee Simple	% of All Units, Owner Occupied
1997	93	39
1992	92	33

Hawaii Housing Policy Study - SMS Research, 1997

Table 9-37. Age of Housing Structures, District of North Kona

Type of Structure	Year Built							Total
	No data	<1950	1950-1959	1960-1969	1970-1979	1980-1989	1990-1997	
Single Family	0	227	277	605	2,330	2,254	1,187	6,880
Multiple Family, Condominium	226	5	0	410	2,127	1,792	818	5,378

Hawaii Housing Policy Study - SMS Research, 1997

9.5.7.2 Courses of Action

- (a) Encourage the use of innovative types of housing developments, such as cluster and planned unit developments, that take advantage of the steep topographic conditions.
- (b) Require developments that create a demand for employee housing provide for that need.
- (c) Increase affordable housing opportunities in the Kailua-Kona area.

9.5.8 South Kona

9.5.8.1 Profile

Moderate growth in both population and housing construction has occurred in the district of South Kona. Although the district is still dependent upon agriculture, some of the growth has been the result of the urban and resort growth in North Kona. This is reflected in an even distribution of new housing construction in sections from Kealahou town through Captain Cook. Subdivision activity has not occurred at equal rates to housing construction and suggests an in-filling of existing agricultural and rural parcels.

Sales of these agricultural parcels have sometimes been accompanied by the demolition of older structures that served as employee housing, farm tenant household, or low and moderate income families.

Construction of government-assisted affordable housing projects within the district were limited to two projects, Hale Hookipa (32 units) in 1976 and the Captain Cook Elderly project (21 units) in 1992. The Hawaii County Economic Opportunity Council was responsible for the development of 46 single family self-help homes on State lease land in Milolii during the past decade.

While there are some non-conforming residential lot sized subdivisions in South Kona, they are not serviced by adequate infrastructure or public services. There is the potential of in-filling that has occurred in the nonconforming subdivisions of Puna though it is anticipated to occur at a slower pace because of the distances to employment centers.

Table 9-38. Population and Households, District of South Kona, 1980 to 2000

Year	Population	Households
2000	8,589	Not available
1990	7,658	2,591
1980	5,914	1,853

Economic Assessment, PKF Hawaii, January 2000
County of Hawaii Data Book, 1998
U.S. Census, 2000

Table 9-39. Existing Housing Inventory, District of South Kona, 1992 & 1997

Year	Total	Single Family	Multiple Family, Condominium
1997	2,714	2,539	175
1992	2,254	2,146	108

Hawaii Housing Policy Study – SMS Research, 1997

Table 9-40. Housing Ownership, District of South Kona, 1992 & 1997

Year	Single Family, % Fee Simple	% of All Units, Owner Occupied
1997	81	57
1992	81	50

Hawaii Housing Policy Study - SMS Research, 1997

Table 9-41. Age of Housing Structures, District of South Kona

Type of Structure	Year Built							Total
	No data	<1950	1950-1959	1960-1969	1970-1979	1980-1989	1990-1997	
Single Family	0	257	203	197	586	706	590	2,539
Multiple Family, Condominium	74	1	2	1	16	32	49	175

Hawaii Housing Policy Study - SMS Research, 1997

9.5.8.2 Courses of Action

- (a) Encourage the use of innovative types of housing developments, such as cluster and planned unit developments, that take advantage of the steep topographic conditions.
- (b) Increase affordable housing opportunities in South Kona.

9.5.9 Ka'u

9.5.9.1 Profile

Several communities in this district were established as a direct result of the former sugar industry. Prior to the closing of its sugar operations in Ka'u in 1996, Ka'u Agribusiness was the primary employer within the district. The company, in cooperation with the Housing and Community Development Corporation of Hawaii, also facilitated the construction of housing for its employees. The closing of Ka'u Agribusiness sugar operations saw the end of these company-supported housing programs. Nevertheless, these efforts resulted in fee home ownership increasing over the years from 42 per cent of all single family residential units in 1970 to 94 per cent in 1997.

The district has a resort area at Punalu'u that encompasses a total of 432 acres. Situated between the towns of Naalehu and Pahala, the Punaluu Resort and Seamountain Golf Course complex is the only resort destination area within the Ka'u District. Currently, the only accommodation available at this complex is the 56-unit Colony One at Sea Mountain. The golf course remains in operation, but no other facilities or amenities are available. C. Brewer Properties, Inc., the original landowner, initially proposed a 300-room hotel, 410 residential units and related facilities within this resort area. Plans for the area by the current landowner are not known at this time. Future expansion of facilities at Punalu'u Resort will need to include employee housing.

This district has large non-conforming subdivisions created prior to the adoption of the present Subdivision and Zoning Codes. Building activity continues in these subdivisions. However, the subdivisions lack basic infrastructure systems such as water and, in some cases, electricity. Most of the interior roads of the subdivisions are substandard. While continued in-filling of the subdivisions may occur, the lack of adequate infrastructure will continue to present problems, and may restrain the ability to secure conventional mortgage loans for housing construction. These subdivisions are also not located near areas of employment.

Table 9-42. Population and Households, District of Ka'u, 1980 to 2000

Year	Population	Households
2000	5,827	Not available
1990	4,438	1,530
1980	3,699	1,108

Economic Assessment, PKF Hawaii, January 2000
 County of Hawaii Data Book, 1998
 U.S. Census, 2000

Table 9-43. Existing Housing Inventory, District of Ka'u, 1992 & 1997

Year	Total	Single Family	Multiple Family, Condominium
1997	2,385	2,278	107
1992	1,876	1,776	100

Hawaii Housing Policy Study – SMS Research, 1997

Table 9-44. Housing Ownership, District of Ka'u, 1992 & 1997

Year	Single Family, % Fee Simple	% of All Units, Owner Occupied
1997	94	55
1992	92	53

Hawaii Housing Policy Study - SMS Research, 1997

Table 9-45. Age of Housing Structures, District of Ka'u

Type of Structure	Year Built							Total
	No data	<1950	1950-1959	1960-1969	1970-1979	1980-1989	1990-1997	
Single Family	0	480	120	133	374	543	628	2,278
Multiple Family, Condominium	0	0	1	4	86	12	4	107

Hawaii Housing Policy Study - SMS Research, 1997

9.5.9.2 Course of Action

- (a) Require developments that create a demand for employee housing provide for that need.