



DEPARTMENT OF
HOUSING AND HUMAN CONCERNS
COUNTY OF MAUI

ALAN M. ARAKAWA
Mayor

CAROL K. REIMANN
Director

JAN SHISHIDO
Deputy Director

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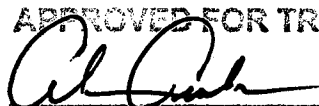
OFFICE OF THE MAYOR

February 15, 2017

Honorable Alan M. Arakawa
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Michael White, Chair
and Members of Maui County Council
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Mayor Date 2/23/17

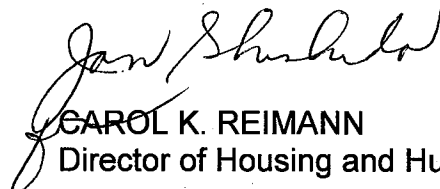
Dear Chair White and Members:

SUBJECT: 2016 LANAI HOUSING STUDY

Attached is a copy of the of the PowerPoint presentation on the 2016 Lanai Housing Study which the Department presented to the Lanai community on February 10, 2017.

Should you have any questions, please feel free to contact me at Ext. 7805.

Sincerely,


CAROL K. REIMANN
Director of Housing and Human Concerns

Attachment

COUNTY COMMUNICATION NO. 17-118



2016 Lanai Housing Study

Presented February 10, 2017



Key Objectives of Study

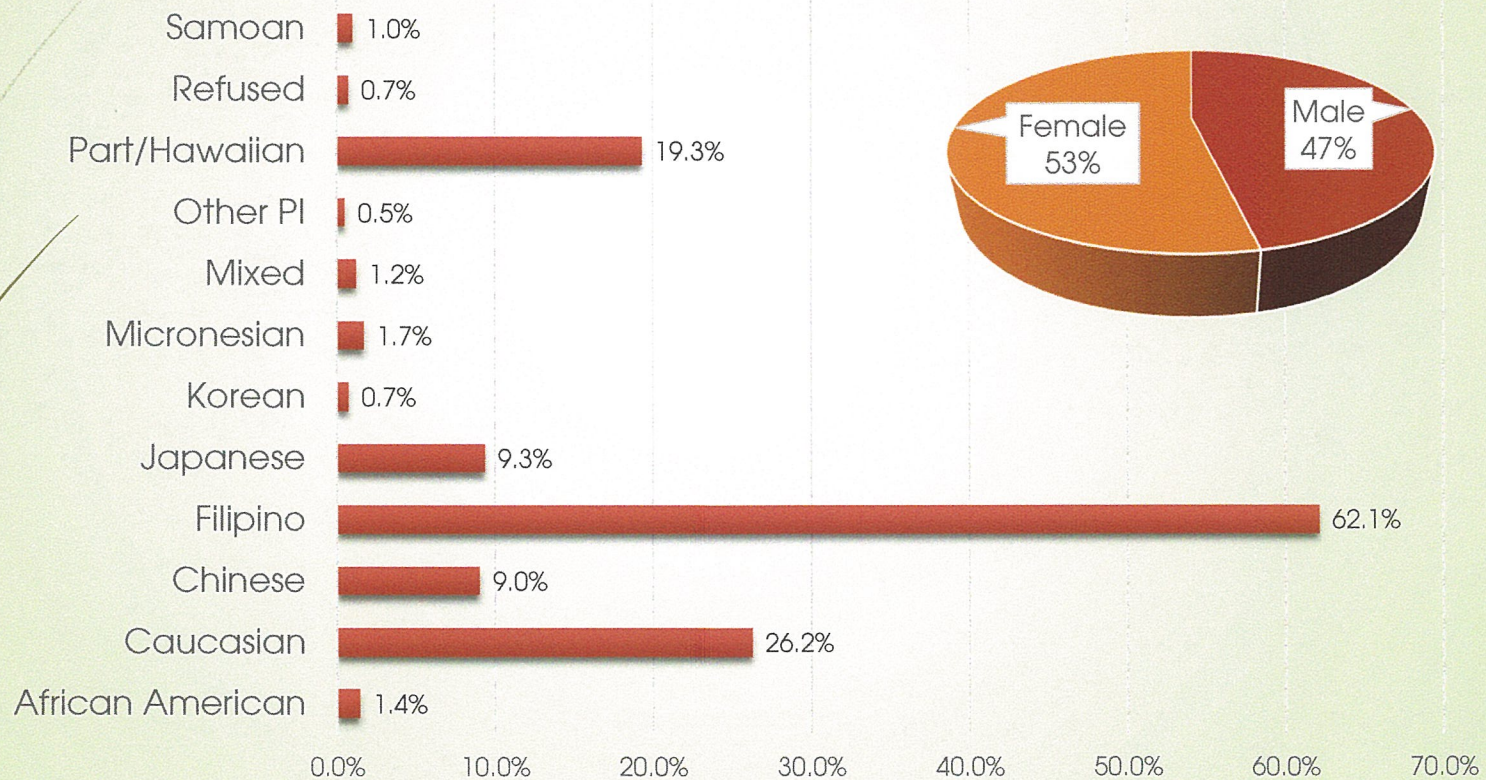
- Assess the current housing conditions on Lanai
- Determine if there is a need for additional affordable housing
- What type of residents want housing
- What type of housing is desired



Methodology

- 1,514 door-to-door visits were conducted over a 7-day period (August 4-10, 2016)
- Yielding 423 completed interviews
 - 414 were full-time residents of Lanai
 - 5 part-time residents who spent between 5-26 weeks per year on island
 - 1 visitor who made 6 previous visits to Lanai
- Margin of error for the dataset as a whole is plus or minus 4.76% percentage points at the 95% level of confidence.

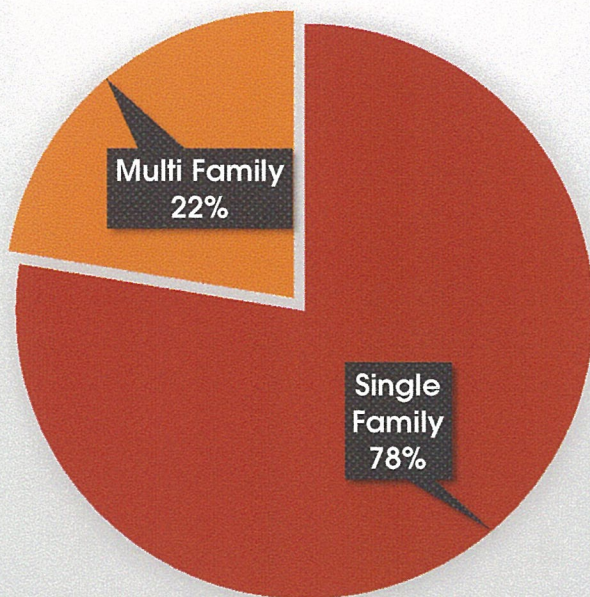
Demographics of Respondents



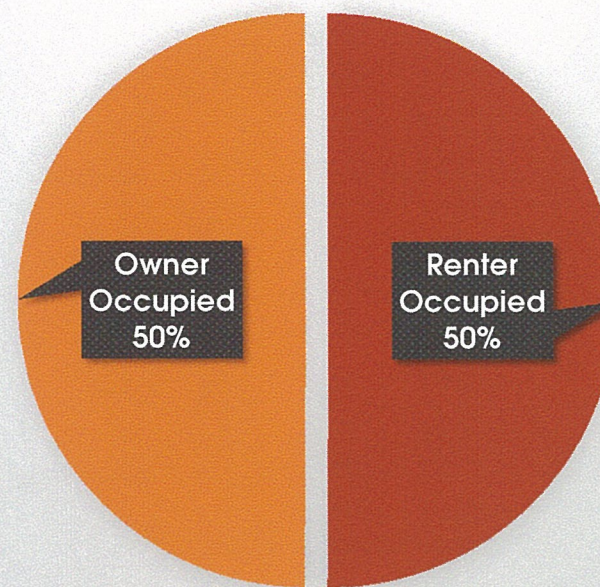
Existing Housing Breakdown

Total Housing Units on Lanai 1,498

Type of Housing



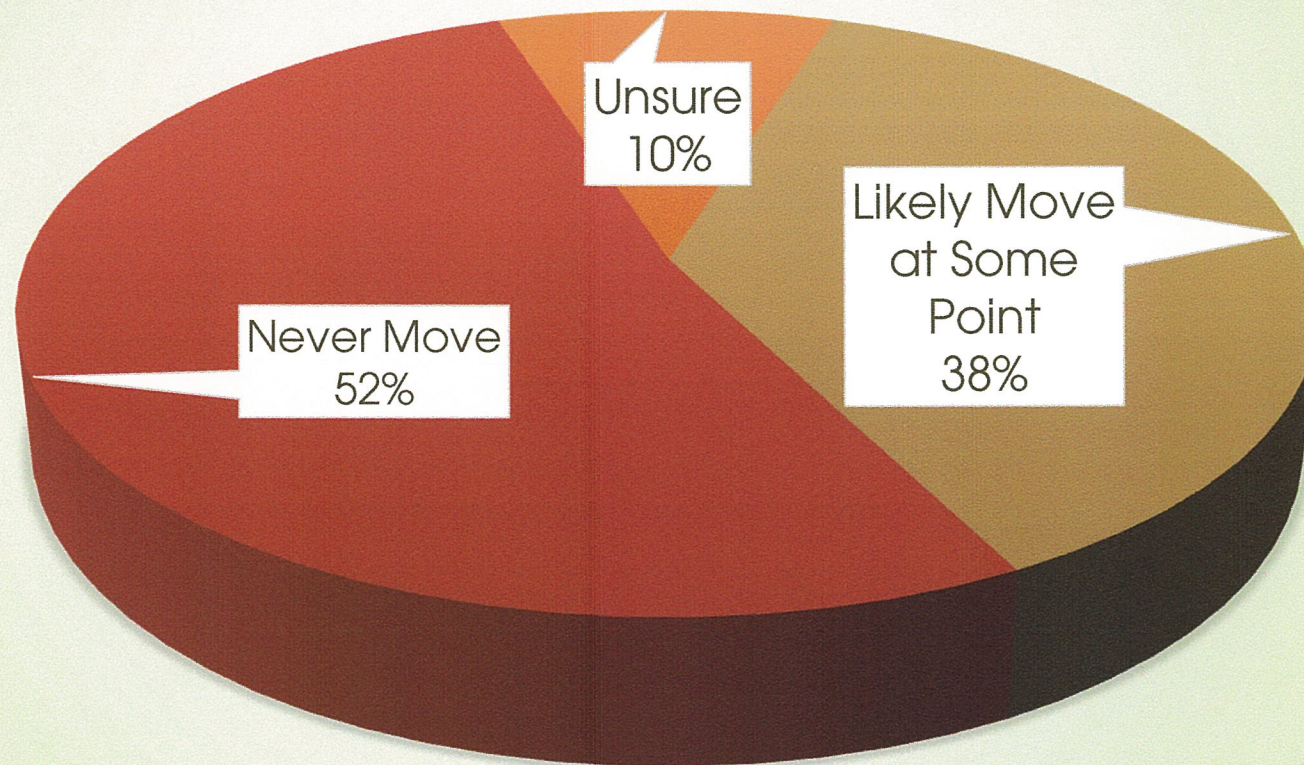
How Occupied



76.2% of total units are occupied
23.8% of total units are vacant

ACS 5-year estimates, 2009-2014

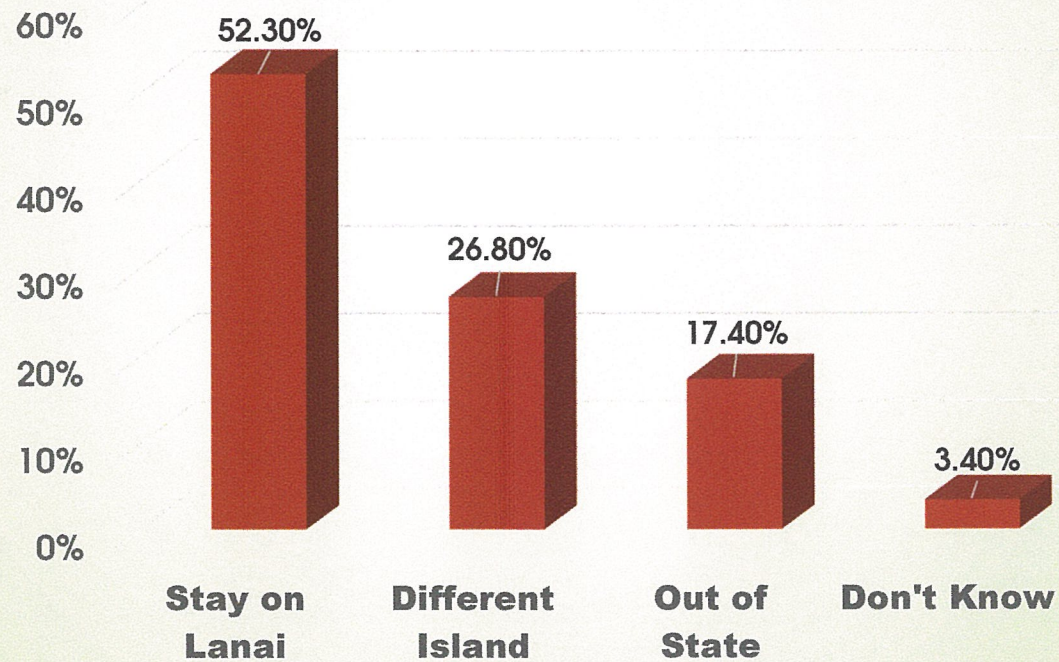
Lanai Residents: Intent to Move



Maui County (2016): 40.7% are likely to move

Location of Next Residence?

Of the 38% Who Intend to Move,
the Location of Next Residence





Mover: Demographics & Timing

Who will Likely Move?

- 7 out of 10 households include 4+ members
- 76.8% include at least one child
- 23.5% include an older adult
- 76.8% currently rent
- 24.2% are homeowners

Timing of Move

- Split relatively evenly:
 - Within the coming year
 - One to two years
 - Three to five years
 - Six or more years

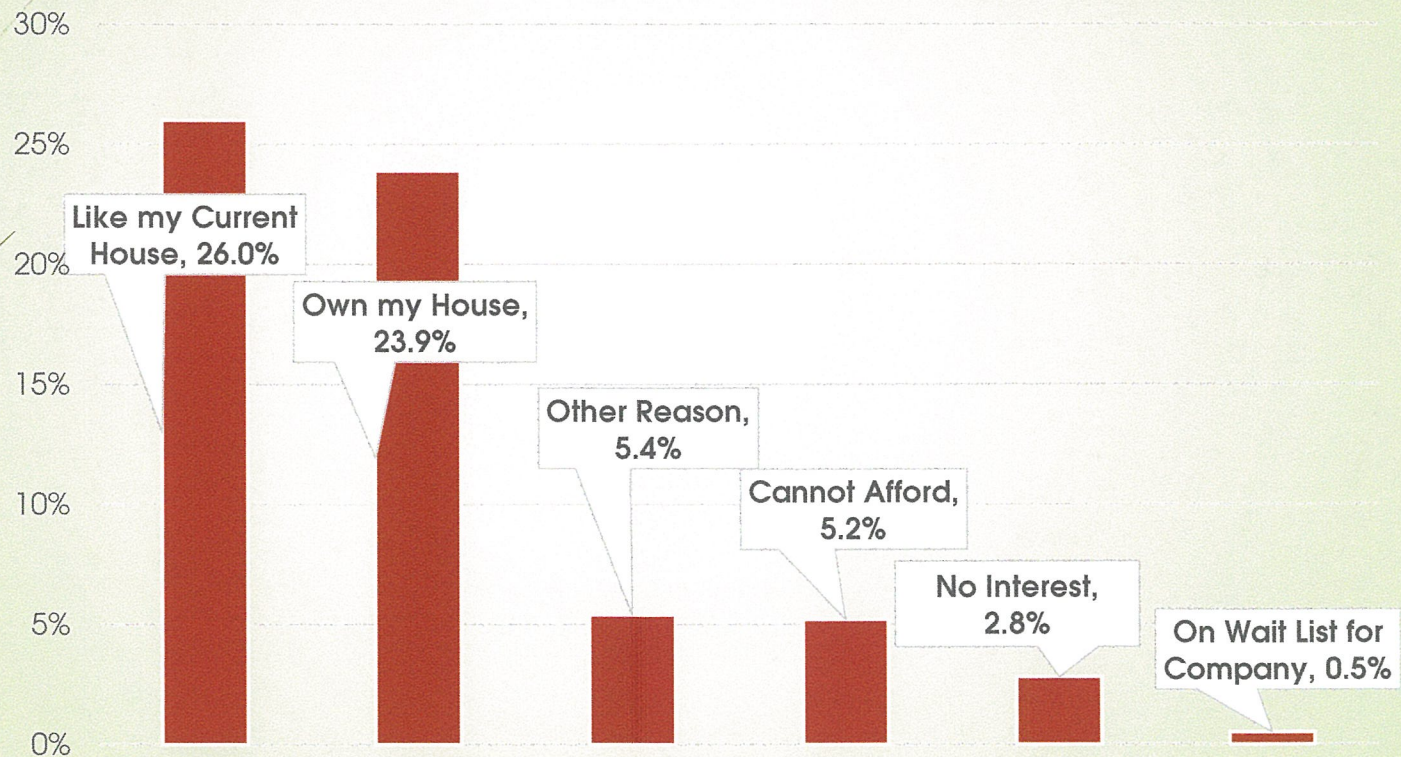
Mover: Household Income

Household Income	Effective Demand
<\$19,400	5.8%
\$19,401-\$30,500	5.7%
\$30,051-\$45,250	10.1%
\$45,251-\$58,150	8.6%
\$58,151-\$74,950	27.5%
\$74,951-\$90,000	15.9%
\$90,001 >	21.7%
Don't Know/Refused	4.3%

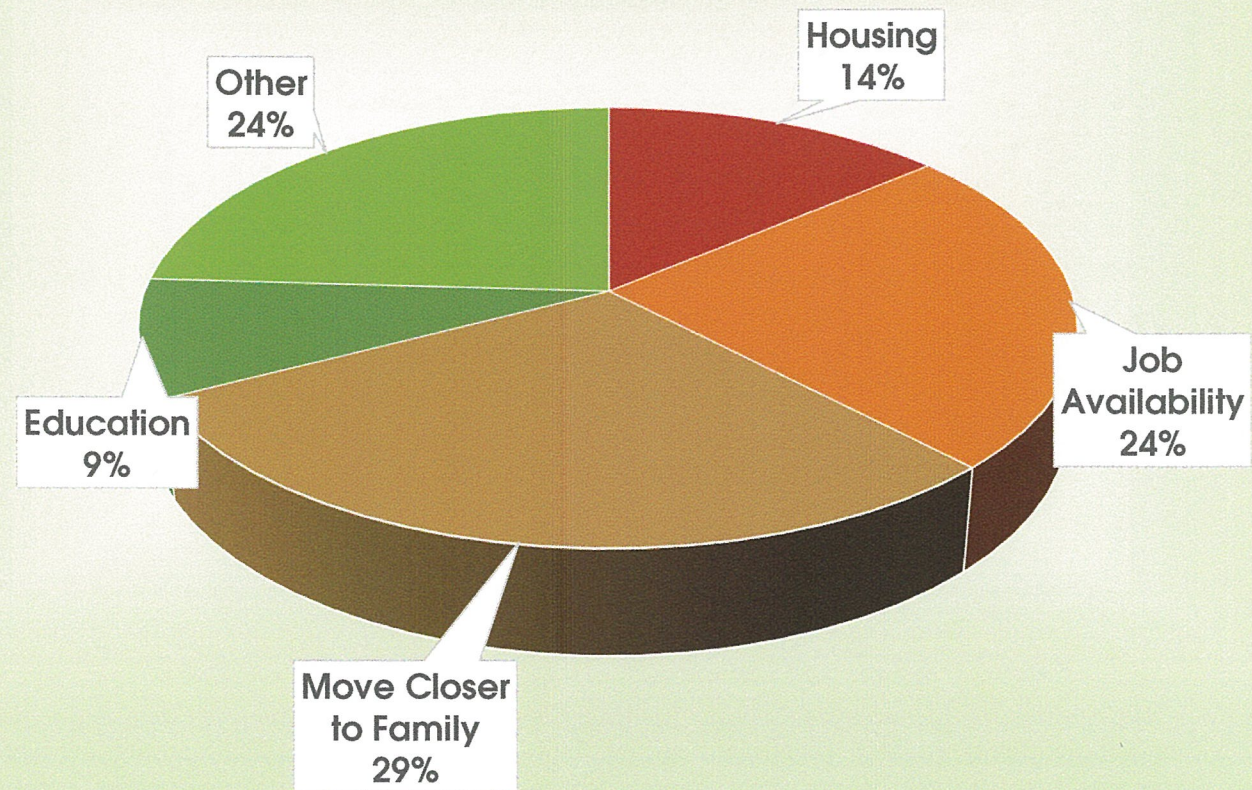
Over 65% are
earning 100%
or more of AMI

- \$53,680 is the Area Median Income (AMI) for Lanai
- \$81,500 is the Area Median Income (AMI) for Maui

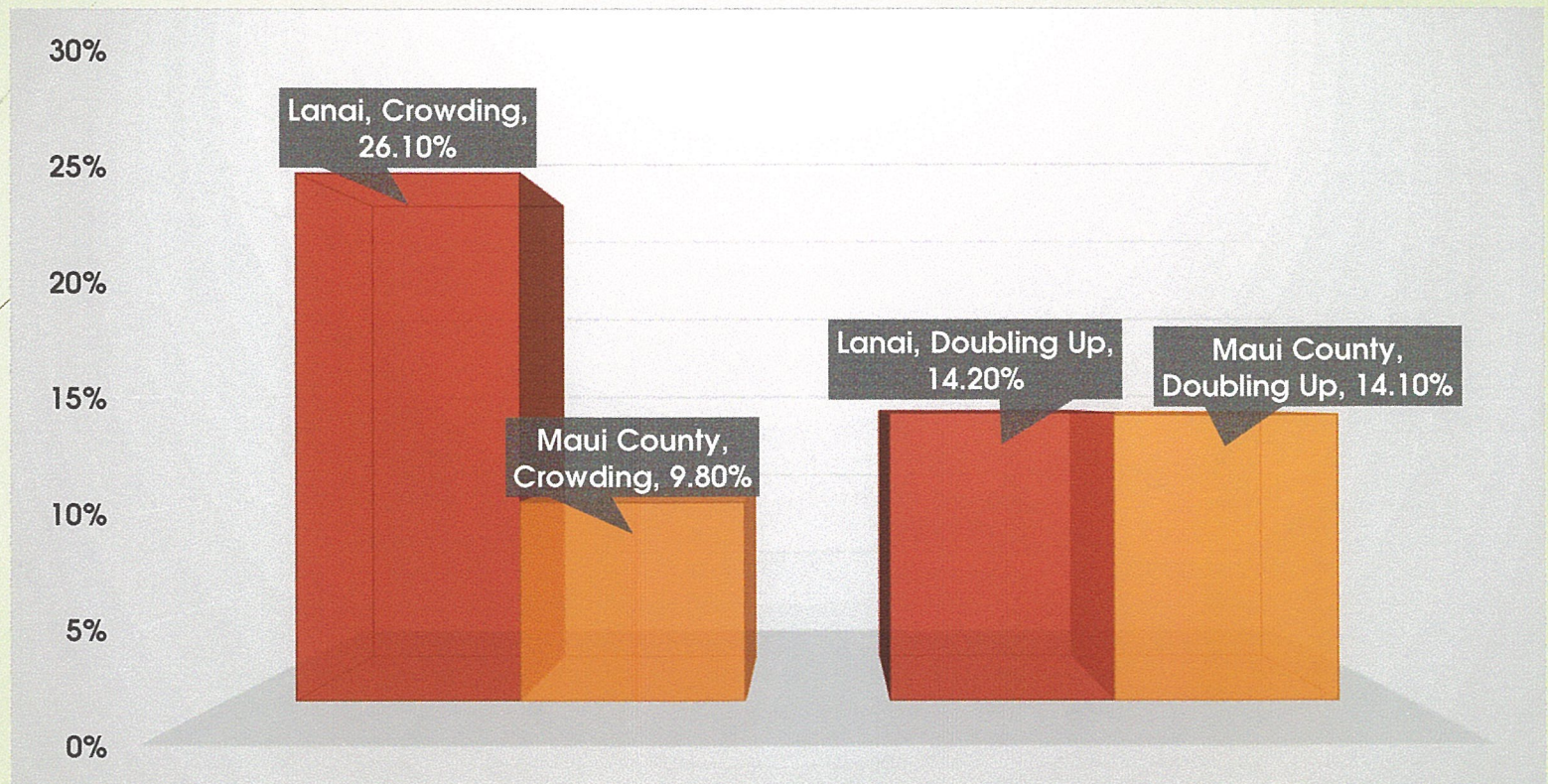
Reason for Not Moving: 52.9% Indicate that They will Never Move



Reasons for Moving Off of Lanai



Crowding & Doubling Up



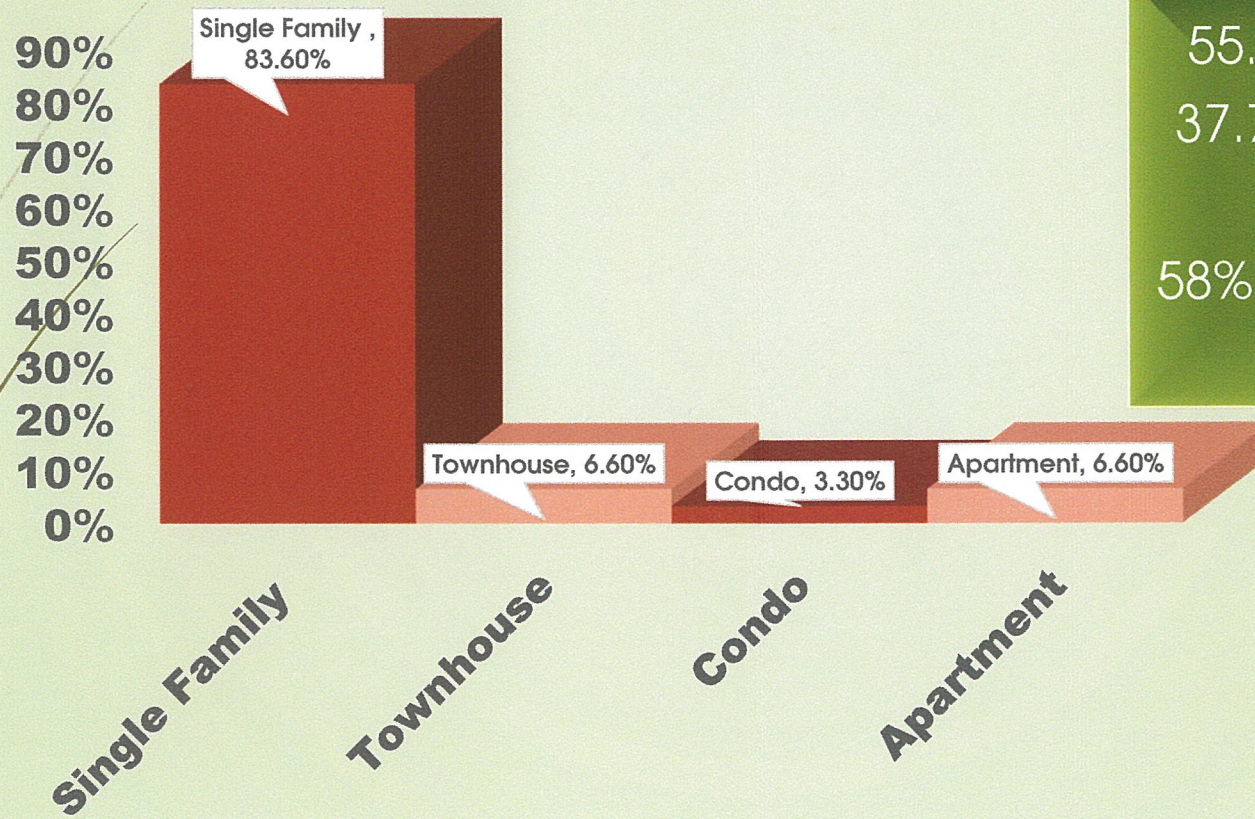
Crowding: 2 or more persons per bedroom
Doubling up: more than 2 generations in the household



Population Change

- The population of the Island of Lanai was 3,526 in 2014 (American Census Data)
- On average, there is a net increase in population of 40 residents per year (2010-2014)
 - Natural increase (excess of births over deaths) is 20 per year. Most of whom are absorbed into existing households.
 - Net migration (people moving into versus away from the island) accounts for the balance of change in population. People moving to Lanai could require at most 7 additional units per year.
- Based solely on population statistics, Lanai's current housing inventory could theoretically accommodate anticipated population growth.
- However, it is important to note that the considerable crowding of Lanai households needs to be taken into consideration.

Housing Preferences

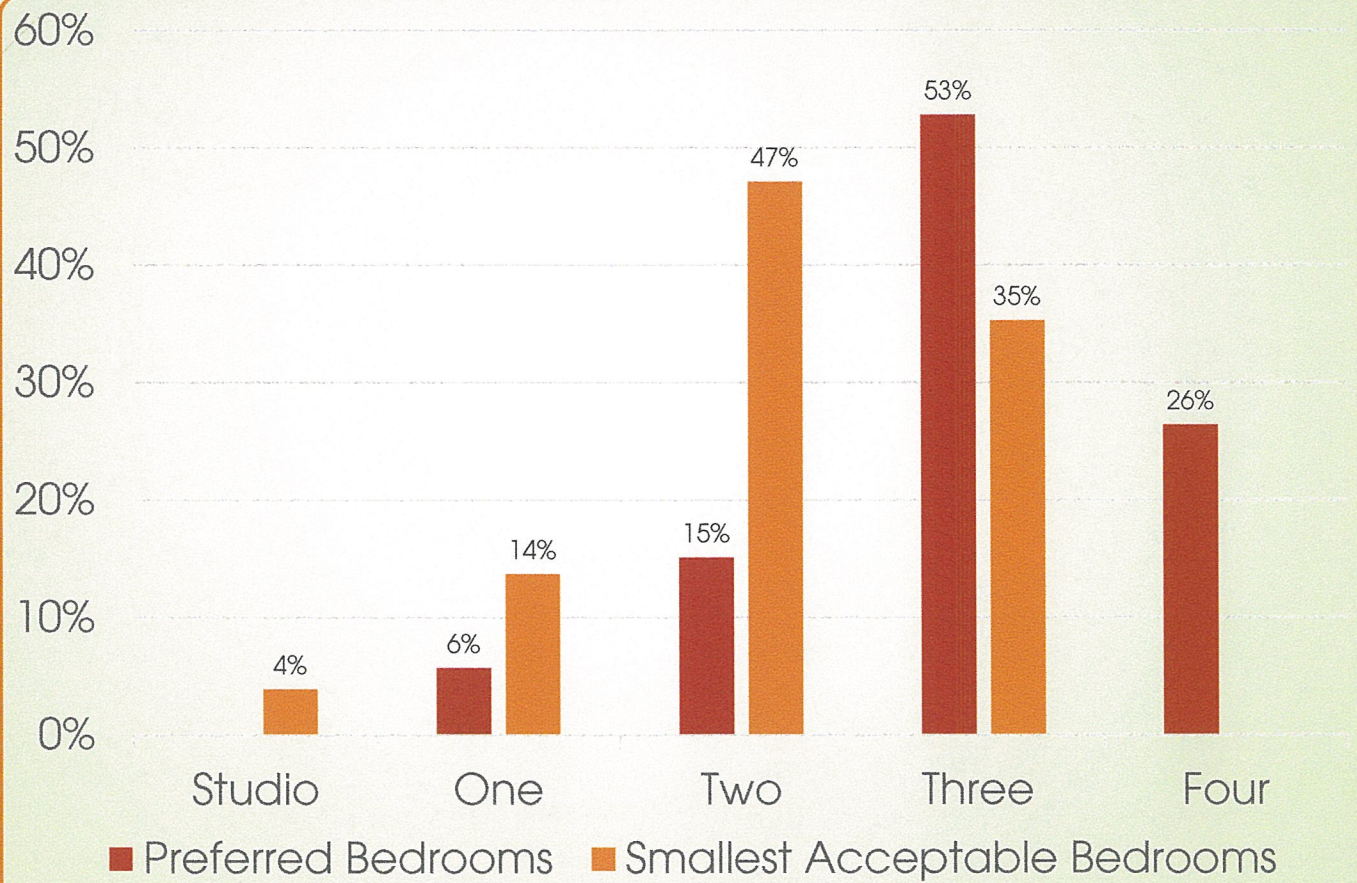


55.1% Plan to Buy
37.7% Plan to Rent

58% would consider
Multi-Family

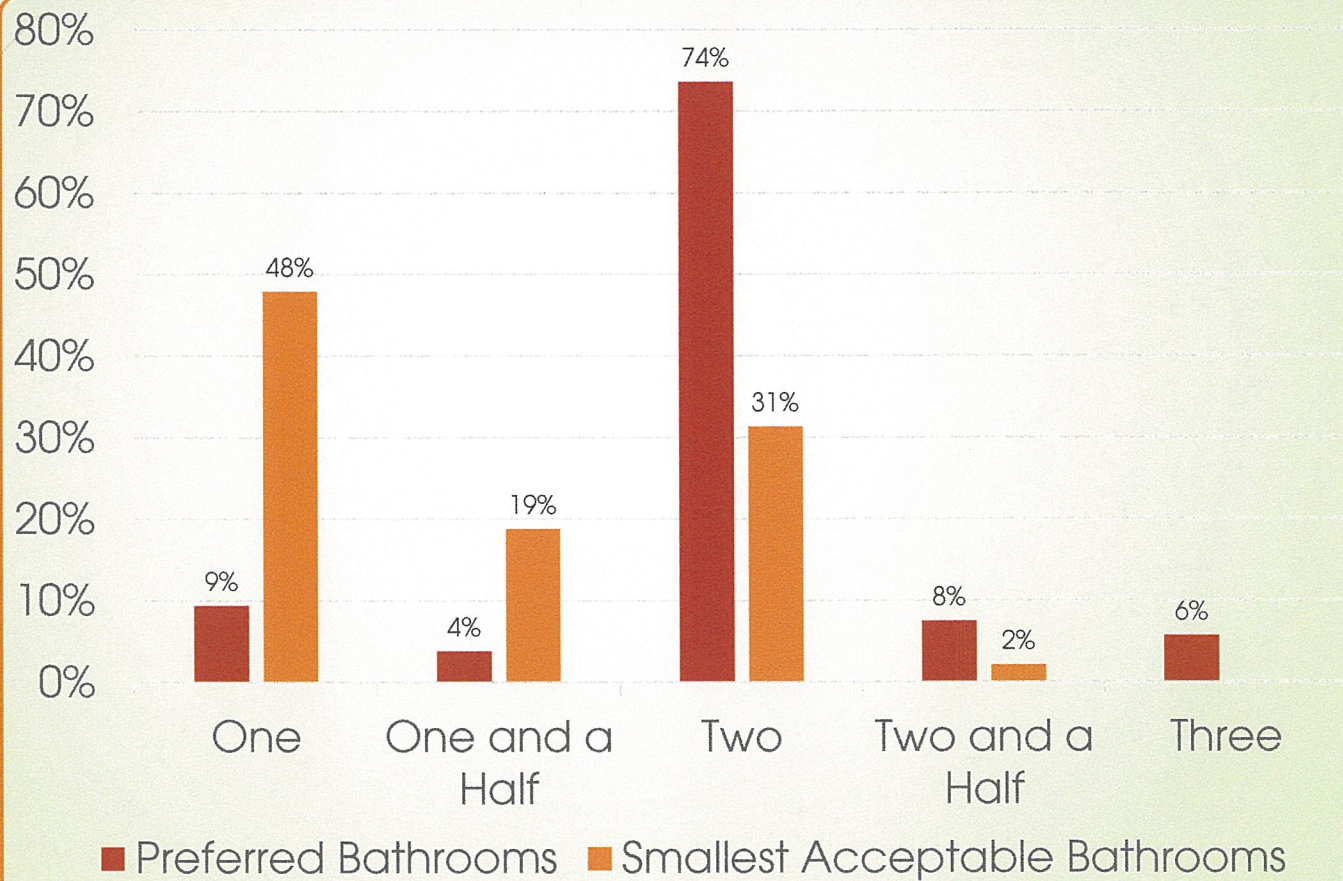
Bedrooms

Most want
3 or 4
bedrooms
But could live
with 2 or 3



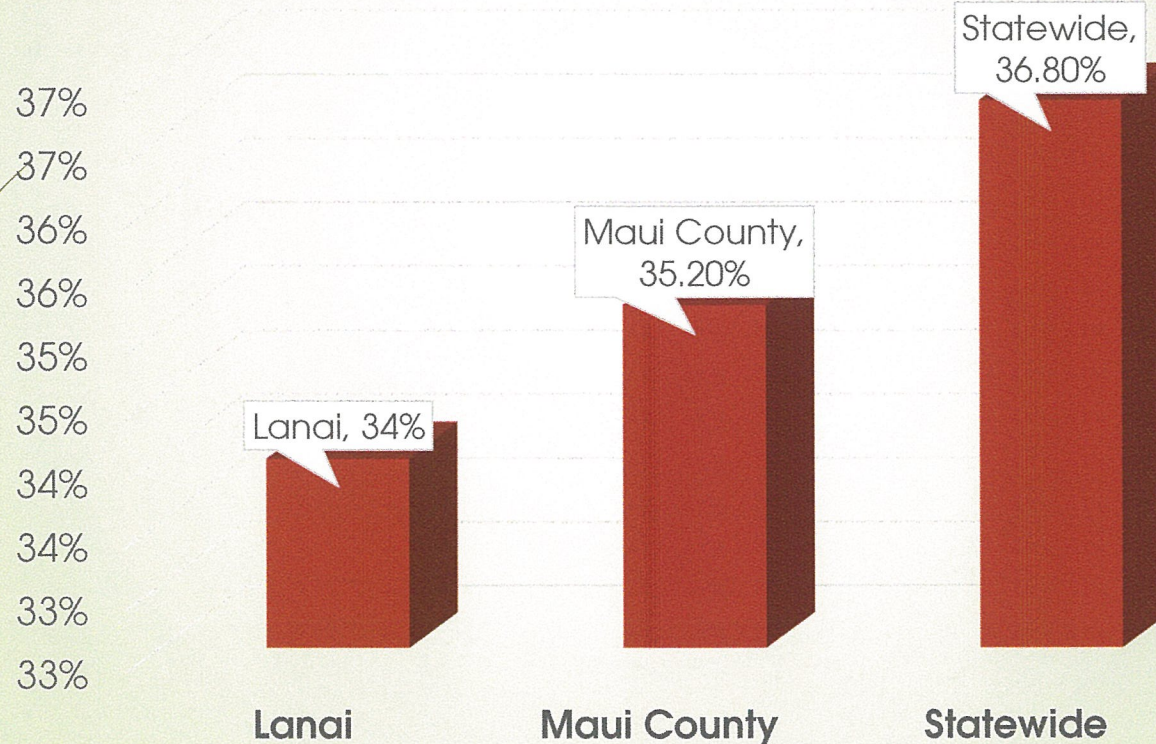
Bathrooms

Most want 2
bathrooms
But could
live with 1



Cost Burden Percentage of Population

– Rule of Thumb: A family should not have to pay more than 30% of its annual income for rent & utilities





Addressing the Key Objectives of Study

- Assess the current housing conditions on Lanai
 - Most live in single family dwellings, most are renting
 - One-third of households are cost burdened
 - Lanai households are crowded
- Determine if there is a need for additional affordable housing
 - Slightly more than half of Lanai households will never move (most like their current home)
 - Of those who plan to move, half want to stay on island
 - While population figures alone don't indicate a need for additional housing, crowding on Lanai is significantly higher than Maui County. Therefore, additional units are required to alleviate crowding.



Addressing the Key Objectives of Study

- What type of residents want housing
 - The majority of movers are at 100% or higher of AMI for Lanai
- What type of housing is desired
 - Most residents prefer single-family, but would consider multi-family
 - Most residents prefer 3 bedrooms/2 bath, but would settle for 2 bedrooms/1 bath
 - Most residents prefer to purchase versus rent
- ***Additional information to consider:*** while most residents want to purchase, and can afford monthly mortgage payment, most cannot afford down payment at the current time (national trend).



Plan Moving Forward

- Recommendation is to restructure phases of existing Master Plan.
 - Suggest First Phase to include a multi-family affordable rental project along with homeowner education to allow residents time to save for a down payment
 - Phase in single-family homes in the future
- Go back to Land Use to:
 - Request to reconfigure Master Plan (to retain entitlements)
 - Request infrastructure build-out by phases (versus for the full project up front)
- Utilize Munekiyo & Hiraga as Consultants



Consultant – Scope of Work

- Market Study
- New site plan
- Land Use amendment
- Engineering work
- Legal fees
- Update infrastructure & plans
- Architectural design
- Preliminary site plan and design



Mahalo!