Affordable Housing the 'Ohana Way Tom Dinell, FAICP August 2014

The longer version of this opinion piece is available on the Hawai'i Housing Alliance Web Site at:

The fastest and most efficient way to increase the stock of affordable housing in Honolulu is 'ohana housing (also known as accessory dwelling units or granny suites).

Current impediments include restricting 'ohana unit use to immediate family thus preventing the possibility of adding thousands of rental units to our inadequate housing stock at minimal cost to government.

Other impediments are: (1) 'Requiring Ohana units to be attached to or be part of the main house; (2) Two off-street parking spaces; and (3) Substantial fees (\$5300 for a water connection and \$6300 for the sewer connection).

Citizen response is to build "rec rooms", which are then often subsequently converted into illegal accessory dwelling units. (See Questor Lau's 2014 doctoral thesis at: https://www.hightail.com/download/ZUcwYUo0YXI3NUx2WnRVag).

According to Lau, City plan examiners identify suspicious building permits and have the applicant sign an affidavit or file a covenant that the permitted space will not be used as a dwelling unit.

Between 2005 and 2012, 102 permits were issued for legal 'ohana dwellings as contrasted with 5,680 permits requiring the signing of an affidavit. Most of the permits were for structures in the urban core.

There is no way of knowing exactly how many of the structures that were labeled "suspicious permits" have actually been converted into illegal accessory dwellings, but the likelihood is the number is quite high.

'Ohana housing is desirable because:

- The landowner/developer, not the government, pays the cost of building the unit.
- If the family restriction is removed, new 'ohana units will likely be rentals increasing our housing stock.
- Many of the new units will fall in the affordable range.
- This rental unit will provide an additional source of income for the owner.
- Since the 'ohana unit is next to the main home, the land owner is in all likelihood going to assure that the tenants are good neighbors and the property is well maintained.
- Small 'ohana units will meet the increasing demands of singles and couples, an increasing portion of our population, for rentals.
- Needed reforms can be instituted quickly and housing can begin to come on line within a year.

The usual objections are:

- Overloading our aging sewer system;
- Increases in parking;
- Increases in density;
- · Use as vacation rentals; and
- Potential subdivision of the parcel.

Currently Honolulu is improving our sewer system. We need to reassess the number of units in each target area. Separate water and sewer connections for every unit are not necessary.

Resolving the parking problem lies not with restricting housing but on a policy level including an examination of the high cost of free parking.

Increasing density is a reality. The DBEDT estimates an 11% increase in Honolulu's population by 2030 with 25% of the increase being elders.

Establishing time minimums for rentals will prevent conversion to vacation rentals. Prohibiting the subdivision of a parcel that includes an 'ohana unit is necessary.

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A new subdivision can include an 'ohana unit. Most frequently this is a "carriage house" located over the garage, which can then be rented.

In multi-family structures, each unit could consist of two apartments. The primary and secondary units will adjoin each other, and be sold and recorded as a single property not subject to subdivision in the future. These secondary units can be rented.

Unleashing the 'ohana housing potential in Honolulu demands:

- Leadership within the City and County government.
- Positive incentives to create 'ohana dwellings replacing the current set of impediments.
- The support of existing organizations that care about affordable housing in Honolulu.
- An amnesty program to facilitate illegal units becoming legal.

The potential pieces are in place. Given the political will, Honolulu can make a big dent in the lack of affordable housing relatively rapidly by implementing a vigorous, positive 'ohana housing program.

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