

HOUSING: AN INVESTMENT IN CITIZENSHIP

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There are many who believe that private enterprise should assume the major responsibility for solving the housing problem in Hawaii. If it can construct houses profitably, it will provide homes for people in the upper income brackets. This will free their quarters for others in the next lower brackets, who in turn, release older units for lower income families. Therefore, some families in each group will move up the scale and the intolerable situation will be vastly improved.¹ This, however, is a theory and not a fact, for most assuredly there will be families living with relatives in quarters not designed for family use, or in houses that are to be demolished for commercial purposes. Their moving does not free dwelling space for another family.

Construction of houses for those who can afford present day building costs is not the complete answer, for there is a limited number of people in the upper income bracket. Hawaii's 1947 tax returns indicate there were only 3,250 with net incomes in excess of \$5,000; 5,047 reported incomes between \$5,000 and \$3,500; and 70,444 had under \$3,500.² There were 285,862 reported by employers who received less than \$3,500 amounting to 90.99% of the total compensation returns.³ It is this large group that is badly in need of homes. They cannot build because they lack credit or have insufficient savings to meet periods of illness or unemployment and would risk too much in such an investment.

¹Editorial -- *Honolulu Star Bulletin* 2/2/49.

²Statistical data compiled from net income tax returns filed in 1948 on 1947 income. Office of the Territorial Tax Commissioner.

³Compensation of individuals in various brackets compiled from employers' 1947 information reports. Office of the Territorial Tax Commissioner.

To determine the lowest annual income that would permit an average family currently to purchase a house and lot without too great a risk, opinions were asked of individuals working in construction, real estate, city planning, loan companies, etc. There were many estimates due to variables involved in geographical areas, land values, improvements, and type of construction. The lowest estimate for a house and lot in Honolulu was \$10,000, and the minimum annual income required to meet this amount was calculated to be \$3,500. This falls in line with the theory that it is impractical to spend more than two and a half, and never more than three times the annual income for a house and lot. It is important, however, to relate the down payment a person can make to the monthly payment. Families with high incomes usually spend less in proportion to their incomes for housing. Then there are other expenses that should be considered. Some of these are legal fees, taxes, maintenance, insurance, hot water heater, and furniture. All these items affect budgets of medium income families more drastically than those in higher income brackets. If we are to be realistic, it would be the individual with an annual income above \$4,500 who could purchase a \$10,000 home today without fear of losing his investment.

As for renting second-hand homes, families in the middle income groups find it difficult to meet the high rental rates and pay for other family expenses. The U.S. Dept. of Labor released in 1947, a report on cost budgets of thirty-four cities showing the total dollars necessary to provide family health, worker efficiency, nurture of children, and social participation by all members of the family. (Man, wife, two children under fifteen years.)¹ Nothing was allowed for savings. This study shows that even small families cannot pay high rentals and meet a modest but adequate standard of living. The lowest cost budget was

¹The City Worker's Family Budget, Report No. R 1909 U.S. Dept. of Labor, 1947.

\$3,004 for New Orleans, where \$37.00 was estimated to cover utilities and rental of an adequate house. Applying the 25% differential as a gauge, Honolulu's cost budget would amount to \$3,755 and the rent would be increased to approximately \$46.00. There are not many adequate houses for that price in this city.

Safe and sanitary houses for large families are scarce even at a rental of \$75.00 a month. Trust companies have long lists but few vacancies. Real estate offices continue to report that we are still in a seller's market so they have practically no rental listings. Newspaper advertisements occasionally offer rentals between \$70 and \$80, but these frequently have restrictions on race, children, or require home exchange, several months' rent in advance, or the purchase of an old car or furniture if the home is to be secured.

This serious housing condition is due, in general, to the lag in construction during war years when normal pre-war expansion gave way to unprecedented population increase. Slum areas have increased in size since 1940 as buildings have depreciated during the past nine years. The extent and number of unsafe and insanitary homes throughout the community are mute testimony to the fact that neither private enterprise, nor government has relieved the situation.

There are 4,093 families today living in temporary projects of the Hawaii Housing Authority. Eventually, when the units are demolished, these must relocate elsewhere. Each year more and more applicants are coming to the Hawaii Housing Authority.¹ All racial groups seem equally distressed if the number of applicants is related to statistics on the Territory's population. There

¹Statistics from Hawaii Housing Authority's *Annual Reports*.

	Applications	Applications Placed	Applications Not Placed
1946	5,198	1,399	3,799
1947	6,480	1,474	5,006
1948	7,144	1,775	5,369

were 1,580 families placed in projects on Oahu in 1948. The following percentages show the major racial extraction of the head of each household. The large percentage of Caucasians is due, in part, to placements during the year of the first three grades of distressed service families.¹

Caucasian	24.3
Chinese	4.0
Filipino	14.3
Hawaiian and Part Hawaiian	12.1
Japanese	19.8
Korean	1.8
Negro	.5
Puerto Rican	4.5
Other	18.7
Total	100.0%

The following indicates some of the circumstances under which individuals in Honolulu were living when they applied to Hawaii Housing Authority in 1948.

<i>Applicants' Housing Condition</i>	<i>No. of Cases</i>	<i>Est. Av. No. in Family</i>	<i>Est. No. Individs. Affected</i>
Quarters not designed for family life	917	4	3,668
Forced to move	1,096	4	4,384
Substandard condition	241	4	964
Location inaccessible to employment	261	4	1,044
Separated families	256	4	1,024
Doubled up	2,274	8.8	20,011
Other temporary inadequate housing	183	-	-
	5,228		31,095

Although it was estimated that an average of four individuals in each household were affected

¹There is no segregation on any project. Selection is made on degree of distress without regard to race, creed or political affiliation.

by most of the above conditions, cases of doubling up indicated a higher average since two or more families were living together. In a study of 416 applications on file, January 15, 1949, there were 6 cases where 18 individuals were living in two bedrooms, 7 cases with 8 people in one bedroom, 2 cases with 12 in one bedroom, and 22 cases with 8 in two bedrooms. The total number of individuals affected by the doubling up of the 416 families with relatives or friends was 3,699 or 8.8 in each household.

Excessive overcrowding offers many hazards to normal family life. Applicants report inability to train children, sickness, irregular hours and meals, insufficient or disturbed sleep, and emotional strain, giving facts that are similar in many ways to those told by Mrs. M. The M's live in a two bedroom house where each bedroom is 8' x 10', and the living room - kitchen is 12' x 16' (measured by HHA staff member). Mr. and Mrs. M and daughter, 7, sleep in one bed; Mrs. M's mother, 67, sister, 35, and the M's daughter, 16, in second bedroom sleep in a double bed. A daughter, 13, and son, 12, sleep in a single bed in the living room - kitchen, and an 18 year old brother sleeps on the floor.

During 18,090 interviews in 1948, Hawaii Housing Authority's staff members heard a variety of distressing conditions. A few situations were selected from those whose incomes were insufficient to build and who were unable to find homes for rent within their means. These will illustrate to what degree home life is affected.

Mr. G, employee, Navy Yard; annual income \$3328, wife and 2 children, applied 7/15/47, living doubled up with parents of Mr. G--great friction. Two months later moved to sister of Mrs. G where 6 lived in three bedroom home. Brother-in-law of Mrs. G's sister, with his family moved into home. G's went to grandmother of Mrs. G. Proving unsuccessful, G's moved to one room, with kitchen, bath, toilet shared with others. (Temporary as owner disapproved of children.) For more than

a year G's have occupied this one room with son, 10, daughter, 12.

Mr. M, rigger: annual income \$3744, wife and three children, forced to move as two bedroom home sold. Doubled up with mother of Mrs. M, 10 in two bedrooms for 7 months. Then Mr. M went to hotel because of family friction. From September to February 1949 Mrs. M and children in mother's home, Mr. M in hotel.

Mr. C, mechanic: annual income \$3889, wife and four minor children; former tenants of Palolo Housing project. Bought home, unable to make payments, lost investment. Wife with children in relatives' home. January, 1949 applicant injured on job. In local hospital; claimed so worried couldn't concentrate.

Mr. F, truck driver: annual income \$2875, wife and 7 children. Rented home was sold. August, 1948 moved to home of mother of Mrs. F. 14 people (three families) in two bedrooms but Mr. F went to his relatives. Since December Mr. and Mrs. F and their 7 children between 7 and 18 years of age have been located in one bedroom house. Children sick and Doctor strongly urges better housing.

Mr. S, mechanic: annual income, \$3200, wife and 5 minor children. Lived two years in home of Mr. S's brother, 15 in three bedrooms. Public Health nurse phoned that children in and out of local hospital, felt illness due to overcrowding. November, 1948 S family in a home of Mrs. S's brother--14 in two bedrooms.

The efficiency of individuals is lowered by such insanitary and substandard living conditions. Applicants, social workers, and others give distressing reports of the effect on employment and on school work, on family health, on the increase of negative attitudes of individuals toward their families and toward society. Where adolescents sleep in the same rooms as adults; where adolescents of different sexes occupy the same room; where there are two or more basic families in a house designed for one family; where baths, toilets, and kitchens are community affairs, the

effect upon members of each household is obvious and of even greater importance to the community than the depreciation of property due to such overcrowding.

For the welfare of our citizens, slums must be levelled and unsafe insanitary homes razed. All homes should provide pure air, daylight illumination, direct sunlight, protection against excessive noise, sufficient space in sleeping rooms to minimize contact infections, adequate privacy, bathing and toilet facilities private to the unit, facilities for the performance of household tasks without undue physical or mental fatigue, facilities to maintain cleanliness of dwellings and persons, and satisfactory neighborhoods. Today, there are at least 9,464¹ homes in Honolulu and 1,797² in Hilo that fall short of these basic requirements.

Hawaii's housing conditions are similar to those reported by many communities on the Mainland. The problem seems to resolve itself into three areas: Low Income Housing; slum clearance and urban redevelopment; and a program for supplying a substantial number of homes at a cost commensurate with incomes of the middle income group. In the first two of these, Hawaii has made at least a beginning.

There are 361 permanent Low Income units in Honolulu.³ The Hawaii Housing Authority has programmed the construction of two new Low Income housing projects that were deferred due to the war; i. e., Mayor Wright Homes, 390 units; Lanakila Homes, Hilo, 90 units. Hawaii Housing Authority also submitted a program to the 1949 Legislature for an additional 400 units--300 for Oahu and 100 for Hilo, which will be permanent slum clearance

¹Report to HHA by the Business Survey and Research Serv., August, 1948.

²*Ibid*, August, 1941.

³Annual net income at time of admission must not exceed \$2,400 for one or two minor children and \$2,700 for three or more minor children.

and Low Income projects. It also presented a shelf-application to the Federal Housing Authority for 2,107 units for permanent Low Income homes. The number of units that will result from this application will depend on the action taken by the eighty-first Congress.

Plans are underway for a gradual elimination of our slums. Present building codes, if enforced, will prevent the erection of new tenements and substandard homes. The Planning Commission, the Fire, Building, and Health Departments are responsible for seeing that all requirements for healthful housing are met. Good coordination between these departments and a staff adequate to enforce building codes are necessary to insure the building of safe and sanitary homes in the future.

Programs for the redevelopment and rehabilitation of slums and blighted areas are also under consideration. Several similar bills presented to the twenty-fifty Territorial legislature seek to cope with this problem. Their main difference is in the allocation of controls, whether to the Territory or to the County. For instance Senate Bill 315 confers certain rights and powers upon the Hawaii Housing Authority.¹ These relate to the acquisition and assembly by the Authority of real property in the areas designated for redevelopment; the demolition and removal of buildings, site improvements; installation and construction of streets, utility services, etc.; and the sale or lease of the prepared land to private or public agencies for redevelopment. It should be noted that the bill specifically states that the Authority shall not construct any of the buildings except to the extent authorized by Chapter 61 of the *Revised Laws of Hawaii, 1945*.

This particular Community Redevelopment bill requires joint participation by HHA and the

¹This article was prepared while the legislature was still in session, and before the outcome of the proposed legislation was known.

local governing bodies over areas to be redeveloped. The bill provides that detailed plans be reviewed by the governing body or the designated agency; and that after public hearings, the plans be approved or rejected by resolution. Such plans must be sufficiently complete to indicate: (1) relationship to local objectives; (2) proposed land uses; (3) building requirements; (4) areas to be made available to private and public enterprise for redevelopment; (5) method of financing; (6) method for relocation of persons living in the redevelopment area, as well as the method for providing decent, safe, and sanitary dwellings for persons of low income, displaced from the redevelopment area, at rents within their financial reach; (7) conditions and terms of lease or sale requiring use of land as designated in the redevelopment plan within a reasonable time. The bill permits the Authority to make redevelopment land available for use at its use-value. A community redevelopment revolving fund also is authorized.

Methods for producing cheaper houses particularly for the middle-income group are being developed by private enterprise throughout the nation. Some believe it is necessary to reappraise government home loan requirements. Others suggest a different quality of construction or the cutting down of living space. Still another suggested approach is through mass production. Peculiar to Hawaii, there are factors that add to the difficulties confronting particularly the middle-income group. These are shipping costs and lack of available land for mass production.

Summing up, we may say that the various endeavors to relieve housing shortages are most encouraging; and within a few years we should see drastic changes taking place. How rapidly the process will be accelerated is dependent upon the will of the people. If a sufficient number is aroused over the way inadequate housing is affecting individual lives, they will do something about it. An enlightened public is a vital factor in resolving the housing problem.