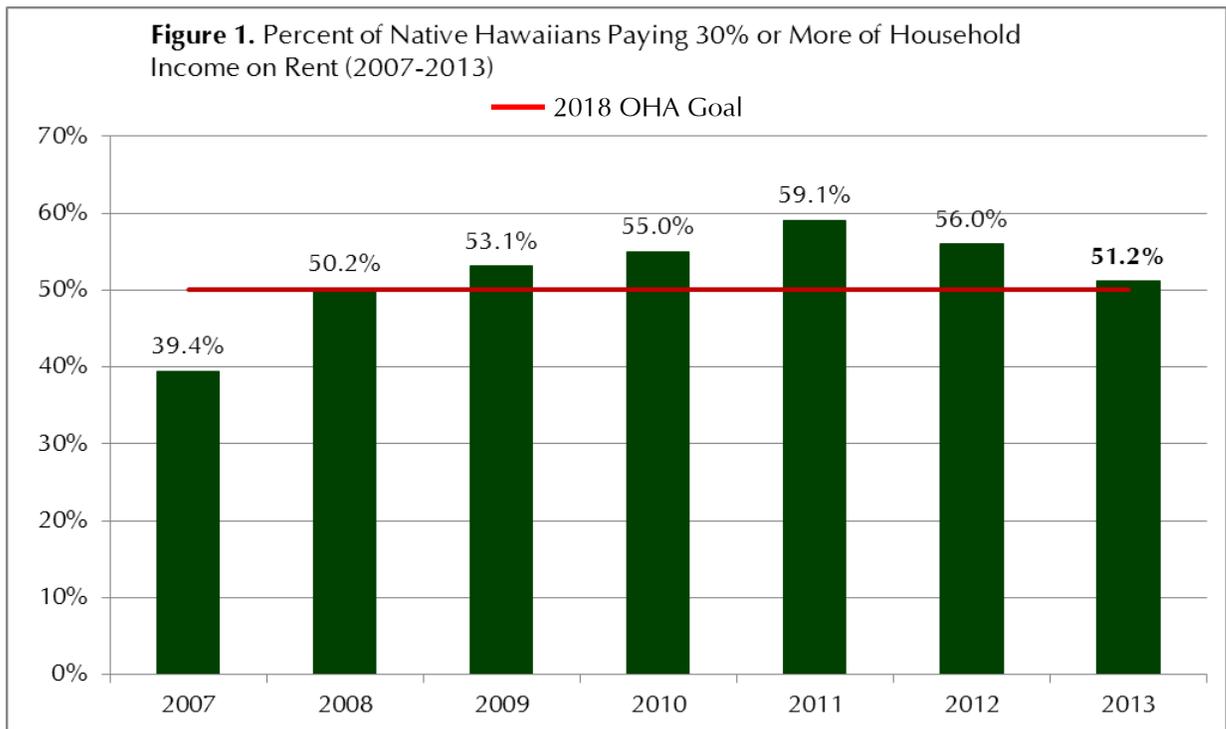


Strategic Priority: Ho'okahua Waiwai (Economic Self-Sufficiency)

Strategic Result — Increase the percent of Native Hawaiians who improve their capacity to own or rent a home by 2018 by

- decreasing from 55% to 50% the percent of Native Hawaiian renters who are paying more than the HUD standard housing cost (no more than 30% of household income).

BACKGROUND. The Department of Housing and Urban Development (HUD) definition of affordability is for a household to pay no more than 30% of income on housing costs. Households that spend more are considered cost-burdened because they have less to spend on other necessities (HUD, 2014). Figure 1 depicts the percent of Native Hawaiian renters who reported rental costs that exceeded 30% of their household income.



Source. U.S. Census Bureau (2014).

FINDINGS

- As of 2013, 51.2% of Native Hawaiian renters reported spending at least 30% of their household income on housing costs, thus exceeding the HUD definition of affordable housing.
- **Are Native Hawaiians making progress in this Strategic Result?** Yes. Compared to 2012, the percent of Native Hawaiians paying 30% or more of their income on rent has decreased 4.8%. Despite the increase in 2011, progress has been made since the start of the OHA Strategic Plan in 2010. The lower pre-recession levels, however, still have not been obtained.
- **Are Native Hawaiians on track to reach the 2018 goal?** Yes. Trends from the last two years indicate that if progress continues at the same rate, the goal of 50% will be reached by 2018. Due to the complexity of housing cost trends in Hawai'i, however, additional indicators of rental affordability should be assessed to determine progress on this result.

TERMS.

American Community Survey (ACS) is an ongoing statistical survey by the U.S. Census Bureau sent to approximately 295,000 addresses monthly (or 3.5 million per year).

Gross Rent: Gross rent is the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid by the renter (or paid for the renter by someone else). Gross rent is intended to eliminate differentials that result from varying practices with respect to the inclusion of utilities and fuels as part of the rental payment. The estimated costs of water and sewer, and fuels are reported on a 12 month basis, but are converted to monthly figures for the tabulations. Renter units occupied without payment of rent are shown separately as "No rent paid" in the tabulations (U.S. Census Bureau, 2013).

Household Income: The sum of money income received in the calendar year by all household members 15 years old and over, including household members not related to the householder, people living alone, and other nonfamily household members. Included in the total are amounts reported separately for wage or salary income; net self-employment income; interest, dividends, or net rental or royalty income or income from estates and trusts; Social Security or Railroad Retirement income; Supplemental Security Income (SSI); public assistance or welfare payments; retirement, survivor, or disability pensions; and all other income (U.S. Census Bureau, n.d).

Gross Rent as Percentage of Household Income: Gross rent as a percentage of household income is a computed ratio of monthly gross rent to monthly household income (total household income divided by 12). The ratio is computed separately for each unit and is rounded to the nearest tenth. Units for which no rent is paid and units occupied by households that reported no income or a net loss comprise the category, "Not computed" (U.S. Census Bureau, 2013).

Native Hawaiian: Any descendant of the aboriginal peoples inhabiting the Hawaiian Islands which exercised sovereignty and subsisted in the Hawaiian Islands in 1778, and which peoples thereafter have continued to reside in Hawai'i.

REFERENCES.

- U.S. Census Bureau. (2014). *American Community Survey (ACS). 1-year Estimates: 2006-2013*.
- Site: http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_13_1YR_S0201&prodType=table
 - Report: S0201 Selected Population Profile in the United States, 2013 American Community Survey 1-Year Estimates (Also 2007-2012)
 - Filter State: Hawai'i
 - Ethnic Group Code #062: Native Hawaiian alone or in any combination (500-503) & (100-299) or (300, A01-Z99) or (400-999).
 - Row/Subject: GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS: 30 percent or more
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