



Charles Akau IV: He saves money by riding Hawaii County's Hele-On bus instead of owning a car, and packs three meals a day from home instead of eating out. One thing holding him back: credit-card bills from when he was younger that he's still paying off.



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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	L	01 I <i>Rent's due</i>	02 V	03 I	04 N	05 G
06 P	07 A	08 Y	09 C	10 H	11 E	12 C
13 K	14 T	15 O	16 P	17 A	18 Y	19 C
20 H	21 E	22 C <i>Phone bill</i>	23 K	24 I	25 N	26 P
27 A	28 R	29 A	30 D	31 I <i>Loan payment</i>	S	E

HAWAII'S HOMELESS POPULATION includes thousands of working people who suffered a financial crisis and lost their place to live. Tens of thousands of others scrape by with jobs that pay little more than minimum wage, but are possibly one or two missing paydays from homelessness themselves. Here are three people in Kona just keeping their heads above water. How do they cope and what are their plans for a better tomorrow?

BY LIANNE YU / PHOTOS BY JAMES RUBIO

THE SINGLE, YOUNG ADULT

For 24-year old Charles Akau IV, making it on a line cook's wages is all about discipline. It's the same discipline that got him through the Hawaii Job Corps culinary arts program with no experience in cooking, and helped him lose 100 pounds through mixed martial arts and a diet overhaul.

"Nobody who meets me now believes me, but I used to weigh 300 pounds," he admits, pointing to a Facebook post showing dramatic before and after photos.

Today, the lean and muscular young adult, who helped his mother sell malasadas while growing up on Kauai, works as a line cook for a popular restaurant in Kona. He makes \$1,200 to \$1,400 a month after taxes, depending on tourist traffic. After paying \$600 for a room in a house in Kealahou that he shares with two others, \$150 for utilities, \$120 for food, \$100 for his mobile phone plan, \$20 to \$30 for eating out, and \$50 for an old credit card bill, he is left with about \$100 to \$200 at the end of the month.

HE STRETCHES HIS PAYCHECK using the same regimented approach that helped him lose weight and earn his education. Unlike many of his friends, who spend their pay eating out often, he wakes up early to prepare his three meals plus snacks for the day. These meals, which include his new passion for healthy options such as quinoa and skinless chicken, go with him everywhere in Tupperware containers.

"It saves money by helping me control spending on eating out all of the time. And I know that, at the end of the day, I don't have to cook, I can just come home and sleep."

Akau also saves by taking Hawaii County's Hele-On bus for \$2 a ride, rather than buying a car. This requires careful planning because the bus system is limited and unreliable.

"If I want to go to the gym, I have to leave here early to get a good workout in. I have to walk to

Alii Drive to catch the bus, and it can take 30 to 40 minutes to get there. That's where my discipline comes into play," he says.

Instead of accepting social invitations spontaneously, he makes mental calculations first. "It's the little invites to go out with friends that will make you go broke. For example, going to the movies: You spend \$10 for the ticket, and if you want popcorn and a drink, it's another \$20. Do I want to go to the movies or buy two to three days of food, and watch Netflix instead? I am always thinking about those tradeoffs," he says.

He has also stopped using credit cards while he pays off debt from his younger, more impulsive years. "I went crazy. I didn't know what it meant to have a credit card. I was only 18. I thought it was like free money, and spent it foolishly, buying drinks and getting new vitamins. I'm paying for it now."

Despite his disciplined lifestyle, there's just too little left at the end of the month to feel comfortable. "It's a struggle," he acknowledges. "I'm not always able to make ends meet." He's considering a second job as a line cook, but people warn that's a tough life.

"A lot of my coworkers have second jobs. It's very hard for them. Some days they'll come in late to work, or be really tired, especially during the holidays. You'll have to call in sick for one job to continue on with another one, just because they need you in that kitchen. It's very hard to do both. At the end of the night, you're just burnt out," he says.

For the longer term, Akau is being mentored by Jamie Borromeo, an entrepreneur and book author who runs Happy Buddha Farm. They talk about new ways for Akau to make money from his skills, and are experimenting with custom, healthy meals for busy people who do not want to cook for themselves. Akau jokes that his local-boy upbringing did not prepare him for the world of portion-controlled vegan, gluten-free or dairy-free diets, but he is learning.

For now, he says, the most important thing is to stay focused on his goals. When he gets down, he remembers something a favorite teacher once said to him. "If you can wake up every morning and make your bed, the rest of the day you'll be good. It's the consistency that will make all the difference in the end."

THE YOUNG FAMILY

When people first step foot in Cori Talbott's one-bedroom apartment in Kona, they are amazed at how cleverly she has arranged it to fit her family of four.

"I've learned to be crafty and creative," she says, describing the bunk beds, shelves, hidden storage areas, lanai used as a dining room, and living room that doubles as a sleeping space and TV area.

"It's not ideal but we're saving at least \$700 a month not moving to a two-bedroom place," she says. "Besides, we're really close as a family, and the kids are still little. They don't need much of their own personal space yet."

The 28-year-old Portland native moved to Hawaii Island nine years ago on a one-way ticket to visit her father. Today, she lives with her husband, 6-year-old daughter and 5-year-old son. She makes minimum wage as a waitress, working about 40 hours a week split between two places. Her husband makes \$18 an hour as a banquet bartender for a hotel.

Both depend heavily on tips. "It's feast or famine. If I'm not making at least \$100 a day in tips, it will be a tight month," she says.

Their expenses include \$989 a month for rent, up to \$215 for utilities, \$115 for cable, \$477 for car payments and about \$200 for her and her husband's mobile phones. Talbott is not sure how much they spend on food, but acknowledges they eat out once a week, with a bill for the four of them at around \$100.

"We do feel financially stressed. We'll go out and treat ourselves and buy things for the kids. And then the bill will come, and it's like, how did we let this happen?"

Their children qualify for free health and medical coverage under Quest, the state's Medicaid program, which is financed by federal and state money. But Quest does not cover Talbott and her husband, so they remain uninsured to avoid paying health insurance premiums. She says she is not worried. "I don't ever go to the doctor," she says, describing her preference for natural solutions.

For Talbott, the key to coping financially is creativity. She



Cori Talbott and her family: The family makes creative use of their small living space so it does not feel so cramped. In fact, creativity in many forms helps them survive financially. One example is the regular swap meets that Cori has with her friends: Everyone brings used clothes to exchange.

shops at thrift stores, compares prices online, gets email alerts from sites such as steals.com, and takes advantage of free shipping through Amazon Prime. When she goes to Target, she first looks for coupons on her phone's Cartwheel app.

Instead of buying new clothes, she and her girlfriends hold regular swaps. "You bring all your used clothes, dump them together and everybody scavenges. It's cute stuff, you know where it's coming from and it's free."

Her network of friends also helps her save money on child-care. "They say it takes a village and it really does. If you move

Monday and I can get a better deal on those days, like a whole box of bananas for \$5."

Growing vegetables also helps keep food costs down. "It seems silly but it all adds up. If we can save \$600 a year on produce, that's \$600 in my pocket for something else."

Despite all the work it takes to live within their means, Talbott insists her family does not feel like they are doing without. "I know that if we lived on the Mainland the same way we live here, people would describe us as poor. But I don't feel like I'm sacrificing. We just live more simply. My kids aren't asking me

THE 125-HR WORK WEEK

→ A person needs to work 125 hours a week at Hawaii's minimum wage to afford a one-bedroom rental unit, according to a study done in 2015 by the National Low Income Housing Corp. For those doing the math, that leaves just six hours a day for sleep and the rest of life. In Michigan, which has the same \$8.50 minimum wage as Hawaii, a person only needs to work 58 hours per week.

here without family, it can be difficult to not have anyone to pick up your kids if you're late coming home from work. So it's important to develop your ohana."

Instead of getting all of her groceries at once, she goes to specific places at specific times for certain items. "Target has killer deals on some food, like peanut butter and carrots. I go to the farmers market on Sunday since they close on

HAWAII'S MINIMUM WAGE

Jan. 1, 2007:	\$7.25 an hour
Jan. 1, 2015:	\$7.75
Jan. 1, 2016:	\$8.50
Jan. 1, 2017:	\$9.25
Jan. 1, 2018:	\$10.10

Minimums Elsewhere

→ Hawaii has the highest cost of living of any state, but eight states have higher minimum wages than Hawaii.*

District of Columbia:	\$10.50	Washington:	\$9.47
California:	\$10	Oregon:	\$9.25
Alaska:	\$9.75	New York:	\$9.00
Rhode Island:	\$9.60	South Dakota:	\$8.55
Vermont:	\$9.60	Federal:	\$7.25

*Several other states have higher minimum wages that apply only to some workers.



Shannon Autrey and family
Autrey and her two children live with her parents in Kona, which is the only way they can get by on her bartending wages, supplemented by support from SNAP (formerly food stamps) and Quest, the state's Medicaid program.

THE SINGLE PARENT

As a single mother who does not receive any support from the fathers of her two children, Shannon Autrey makes ends meet with 14-hour workdays, help from her parents and public assistance.

Born and raised on Oahu, the 37-year-old moved to Michigan with her then-husband in 2000. After

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—SHANNON AUTREY

separating, she worked as a casino dealer, making \$2,600 a month and easily affording the \$600 rent for a two-bedroom place. "I found out that I could make a good life for my daughter. I didn't need any help, I was comfortable," she says.

By 2009, she was raising two children on her own and moved to Kona, where her parents had relocated. Today, she shares a small

space in their home with her 14-year-old daughter and 9-year-old son.

Autrey had been working as an administrative assistant for \$12 an hour, but recently switched to bartending. Although she earns minimum wage, the tips make it worthwhile.

"On a good night, I can make about \$150 cash in hand. But to get there, I'm working 14 hours a day."

The Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) provides \$584 a month for food. Quest provides medical care coverage for her and both children.

"Being on these programs is just awesome. They are such big savers. A lot of people don't take advantage of such benefits. They think that if you have a job you don't qualify. My advice is to know what benefits you can get as a single mother."

She emphasizes, however, her parents make it possible for her to live in Hawaii. She only pays \$500 for rent and utilities to stay in her parents' home. Family members pick up the children from school, take them to after-school programs and

sports events, and ensure her special needs son gets to his appointments. She uses her father's older car to get around. Although she buys most of her own groceries, family and neighbors often stop by with freshly caught fish and pork, as well as avocados and mangoes from their gardens.

"If you're raised here, you're raised with a strong sense of mana, or power. You take care of family. It's automatic. It's bred into you. You don't think twice about that," she says.

Despite her deep gratitude to her family, she insists this is not a permanent solution. "Living with family, there is a lot of meddling," she admits, laughing. "I'm 37, so I don't want them to be involved in how I parent. But they are going to get involved no matter what since we are under their roof."

Rent in Kona, however, is beyond her reach at this point. "I just can't afford a big enough condo on Alii Drive." She is not considering areas such as Ocean View, which has much lower rents, because of the long commute to work and school.

She adds, "If there was a two bedroom in Kona going for \$800, I could do that. But that would take magic."

She has looked into Section 8, a federal program that provides rental assistance to low-income families. The waiting list in Kona is long, however, and new slots only open when families leave the program. Another challenge is that even with Section 8 subsidies, the rent for a big enough place in Kona was still too much on Autrey's previous income of \$12 an hour.

"I left my office position, which had great hours, for 14 hours a day as a bartender. Sometimes I don't get home until 3 a.m. now, all because I couldn't afford to get subsidized housing at my former job."

Autrey has also investigated home ownership programs for low-income single parents, such as Habitat for Humanity, which helps people build homes on land they own. The barrier, however, is her credit score.

"I started with credit cards while I was in college. There was nothing major, just some late payments. Things just happened. And then my creditor sold my debt to third-party companies, who want me to pay them off in a lump sum. I can't do that right now. So at this point I can't qualify for a home loan because my credit is so bad."

Autrey also struggles to provide for her children's changing needs as they grow. At the end of the month, she is usually left with only about \$100. Her daughter, an honor student and high school freshman, would like her own room and travel money to join her classmates on the debate team as they compete on Oahu. Her son wants an iPad and the latest video games.

"Money is continuously revolving in my wallet: It comes in, it goes out. There are no savings right now. We live check to check."

Autrey senses she may soon be at a tipping point.

A SECURE STANDARD OF LIVING IN HAWAII

→ The national Economic Policy Institute calculates the income and spending that a family needs "to attain a secure yet modest standard of living." Monthly costs are for urban Honolulu and a statewide average of rural Hawaii. Learn more about the institute's calculations and criteria at www.epi.org/resources/budget.

Rural Hawaii		HNL, Hawaii metro	
.... MONTHLY COSTS MONTHLY COSTS	
1 Adult & NO Children		1 Adult & NO Children	
HOUSING	\$804	HOUSING	\$1,267
FOOD	\$346	FOOD	\$346
CHILD CARE	\$0	CHILD CARE	\$0
TRANSPORTATION	\$570	TRANSPORTATION	\$482
HEALTH CARE	\$180	HEALTH CARE	\$206
OTHER NECESSITIES	\$556	OTHER NECESSITIES	\$779
TAXES	\$567	TAXES	\$778
MONTHLY TOTAL	\$3,024	MONTHLY TOTAL	\$3,859
ANNUAL TOTAL	\$36,288	ANNUAL TOTAL	\$46,308
.... MONTHLY COSTS MONTHLY COSTS	
1 Adult & 1 Child		1 Adult & 1 Child	
HOUSING	\$1,175	HOUSING	\$1,820
FOOD	\$469	FOOD	\$469
CHILD CARE	\$628	CHILD CARE	\$750
TRANSPORTATION	\$575	TRANSPORTATION	\$487
HEALTH CARE	\$295	HEALTH CARE	\$312
OTHER NECESSITIES	\$794	OTHER NECESSITIES	\$1,105
TAXES	\$644	TAXES	\$1,042
MONTHLY TOTAL	\$4,580	MONTHLY TOTAL	\$5,984
ANNUAL TOTAL	\$54,957	ANNUAL TOTAL	\$71,814
.... MONTHLY COSTS MONTHLY COSTS	
2 Adults & 2 Children		2 Adults & 2 Children	
HOUSING	\$1,175	HOUSING	\$1,820
FOOD	\$937	FOOD	\$937
CHILD CARE	\$1,261	CHILD CARE	\$1,511
TRANSPORTATION	\$723	TRANSPORTATION	\$620
HEALTH CARE	\$590	HEALTH CARE	\$623
OTHER NECESSITIES	\$1,020	OTHER NECESSITIES	\$1,332
TAXES	\$671	TAXES	\$999
MONTHLY TOTAL	\$6,377	MONTHLY TOTAL	\$7,841
ANNUAL TOTAL	\$76,529	ANNUAL TOTAL	\$94,092

“I might have to move back to the Mainland, maybe a place like Michigan, where I can make more and live for less. It’s hard because my family doesn’t want that, and my kids are attached to their friends and grandparents. My son has been here since he was 3 years old, and he loves hunting, fishing and the beach. I don’t want to move them away from all of that.

However, the difficulty in making enough money to rent or buy her own home has persuaded her that to live in Hawaii long term, she first needs to leave Hawaii.

“I love Hawaii and I want to settle down here. But I think I will have to come back here with a chunk of money, a nest egg, in order to buy property. There is no way I can do that, starting off with what I can make here.”

MAKING ENDS MEET

Despite working full time or more, the people in this article all live well below the median annual household income of Hawaii Island, which is just over \$51,000, according to the U.S. Census Bureau. (See box below for each county’s median wage.)

Hawaii’s minimum wage is mandated to increase gradually each year, reaching \$10.10 an hour on Jan. 1, 2018. That will help, but it won’t lift every working person or working family in Hawaii out of poverty.

As Charles Akau IV, Cori Talbott and Shannon Autrey

demonstrate, making ends meet while working for close to minimum wage requires discipline, creativity and resourcefulness.

“Families from a wide range of income levels make sacrifices daily based on their family’s needs and wants,” says Miles Yoshioka, executive officer of the Hawaii Island Chamber of Commerce.

A lack of affordable housing may be the biggest problem: even though housing on Hawaii Island is cheaper than on most islands, there is little that is inexpensive. “It will take the effort of multiple agencies, local and state governments to address this housing issue,” says Yoshioka.

Akau’s and Autrey’s experiences also highlight how credit card abuse can make it more difficult to get ahead even years after you stop using the cards. And not having a car makes it difficult to get to work – especially if you have multiple jobs – given Hawaii Island’s meager public transport system.

Some sacrifices people make to stay on the island have upsides. As Talbott says, no iPads mean more time with each other, enjoying Hawaii’s natural world. Other sacrifices, such as foregoing health insurance, may have more serious consequences.

Autrey describes her children, especially her teenage daughter, as very understanding and not having a sense of entitlement. But asking her children to do without what they see other kids have, she acknowledges, is one of the most difficult aspects of living paycheck to paycheck.

“They want to see a movie. Or go to McDonald’s. Once in a while we’ll go bowling, but that’s a luxury. My daughter now wants her own room. She’s a freshman in high school, and she deserves it. I feel bad for her because she should have her own space. But I just can’t afford it. I have to say no to my kids all of the time.”

NOT SO LUCKY YOU LIVE HAWAII

The High Cost of Local Housing

Indicators	Honolulu County	Hawaii County	Maui	Kauai	National average
Population	991,788	194,190	163,019	70,475	321,418,820
Housing units	343,017	85,183	71,467	30,346	133,957,180
People per housing unit	2.89	2.28	2.28	2.32	2.63
Median value of owner-occupied housing units, 2010-2014 (condos and single-family homes)	\$564,400	\$301,500	\$510,300	\$483,800	\$175,700
Median household income annual/monthly	\$73,581/\$6,132	\$51,213/\$4,268	\$64,567/\$5,381	\$62,946/\$5,246	\$53,482/\$4,457
Median selected monthly owner costs - with a mortgage	\$2,422	\$1,692	\$2,344	\$2,232	
Percent of median income spent on median owner costs	39.5%	39.6%	43.6%	42.5%	
Median monthly gross rent	\$1,528	\$1,039	\$1,281	\$1,265	
Percentage spent on median gross rent by household earning \$41,600 a year (two workers paid \$10 an hour for 40 hour week year round)	44.1%	30.0%	36.9%	36.5%	
Percent of population living below poverty level*	9.8%	18.1%	13.1%	12.3%	14.8%
Persons without health insurance, under age 65	6.7%	10.7%	8.6%	9.2%	12%

Source: 2014 statistics via U.S. Census

*The poverty level in Hawaii in 2015 was \$13,550 for a one-person household, \$18,330 for two, \$23,110 for three and \$27,890 for four, according to the federal Department of Health & Human Services.

