
HOUSE CONCURRENT RESOLUTION

REQUESTING THE HAWAII HOUSING FINANCE AND DEVELOPMENT
CORPORATION TO PROVIDE A REPORT TO THE LEGISLATURE ABOUT
BARRIERS TO CREATING TRULY AFFORDABLE HOUSING IN HAWAII.

1 WHEREAS, there is a severe shortage of housing in Hawaii
2 that residents earning prevailing wages can reasonably afford;
3 and

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5 WHEREAS, according to the National Low Income Housing
6 Coalition's Out of Reach 2022 report, a minimum wage employee
7 must work one hundred twenty-three hours per week to afford a
8 one-bedroom apartment in the islands; and

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10 WHEREAS, the United States Department of Housing and Urban
11 Development defines "affordable housing" as "housing on which
12 the occupant is paying no more than thirty percent of gross
13 income for housing costs, including utilities"; and

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15 WHEREAS, a household's gross income generally cannot exceed
16 one hundred forty percent of the area median income to qualify
17 for affordable housing; the actual income limit is dependent on
18 household size; and

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20 WHEREAS, the median income is defined as the midpoint of a
21 region's income distribution, where half of the families earn
22 more than the median and half earn less than the median; and

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24 WHEREAS, housing affordability in Hawaii is most often
25 expressed as the housing price-to-income ratio, with the price
26 of an "affordable" home expressed on a scale where one hundred
27 forty percent of the area median income or below is considered a
28 "below market" rate and thus "affordable"; and

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1 WHEREAS, the current formula used to set the sales price of
2 "affordable" for-sale homes is outdated and fails to take into
3 consideration factors such as the high cost of living and high
4 market prices of housing in Hawaii; and

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6 WHEREAS, the housing price guidelines set by the United
7 States Department of Housing and Urban Development are not
8 applicable to developments that do not use federal subsidies;
9 and

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11 WHEREAS, the outdated formulas are heavily based on
12 mortgage interest rates and, given the existing low-interest
13 rate environment, the sales prices may not be affordable to
14 local area residents and, in many locations, often even exceed
15 market prices; and

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17 WHEREAS, by way of example, a two-bedroom home in the City
18 and County of Honolulu with a price of over \$1,000,000 could
19 potentially qualify as "affordable" under current guidelines;
20 and

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22 WHEREAS, if the State and counties want to provide housing
23 that local residents can afford on typical wages earned in
24 Hawaii, the definition of "affordable" sales prices needs to
25 more accurately reflect what local households can realistically
26 afford, taking into consideration homeowners' association fees,
27 insurance, utilities, transportation, cost of living, access to
28 low-interest rates, and other factors; and

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30 WHEREAS, the coronavirus disease 2019 pandemic jeopardized
31 the financial security of thousands of working families who
32 required rental and housing relief to sustain their access to
33 shelter; and

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35 WHEREAS, according to the Hawaii Budget and Policy Center,
36 the provision of affordable homes and rental units requires the
37 State to treat housing as a basic necessity and human right,
38 rather than primarily as a vehicle for investment and wealth
39 building; now, therefore,

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41 BE IT RESOLVED by the House of Representatives of the
42 Thirty-second Legislature of the State of Hawaii, Regular



H.C.R. NO. 47

1 Session of 2023, the Senate concurring, that the Hawaii Housing
 2 Finance and Development Corporation is requested to provide a
 3 report to the Legislature about barriers to creating truly
 4 affordable housing in Hawaii; and

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 6 BE IT FURTHER RESOLVED that the report is requested to
 7 include information about methodologies for determining what
 8 qualifies as "affordable" in Hawaii in comparison to states and
 9 municipalities with similarly high costs of living; and

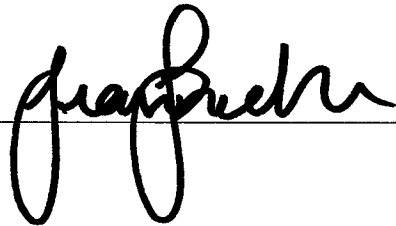
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 11 BE IT FURTHER RESOLVED that the Hawaii Housing Finance and
 12 Development Corporation is urged to consult with additional
 13 government agencies and advocacy organizations in the
 14 preparation of its report, including the respective counties'
 15 housing department, office, or agency; Hawaii Appleseed Center
 16 for Law and Economic Justice; and Hawaii Alliance for Community
 17 Based Economic Development; and

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 19 BE IT FURTHER RESOLVED that the Hawaii Housing Finance and
 20 Development Corporation is requested to submit a report of its
 21 findings and recommendations, including any proposed
 22 legislation, to the Legislature no later than twenty days prior
 23 to the convening of the Regular Session of 2024; and

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 25 BE IT FURTHER RESOLVED that certified copies of this
 26 Concurrent Resolution be transmitted to the Executive Director
 27 of the Hawaii Housing Finance and Development Corporation; head
 28 of each county's respective housing department, office, or
 29 agency; Executive Director of the Hawaii Appleseed Center for
 30 Law and Economic Justice; and Executive Director of the Hawaii
 31 Alliance for Community Based Economic Development.

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OFFERED BY:



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