



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of  
**MIKE MCCARTNEY**  
Director

Department of Business, Economic Development, and Tourism  
before the

**SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM  
AND  
SENATE COMMITTEE ON HOUSING**

Friday, March 30, 2022  
3:10 PM

State Capitol, Conference Room 224 & Videoconference

In consideration of  
**SCR 210/SR 203**

**REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,  
AND TOURISM TO SUBMIT A REPORT TO THE LEGISLATURE ON THE  
BARRIERS TO CREATING AFFORDABLE HOUSING IN THE STATE.**

Chairs Wakai and Chang, Vice Chairs Misalucha and Kanuha, and members of the Committees. The Department of Business, Economic Development and Tourism (DBEDT) offers comments on SCR210/SR203, which requests that DBEDT conduct and submit a report to the Legislature on the barriers to creating affordable housing in the State; and consult with other government agencies and organizations.

DBEDT appreciates the intent of this resolution. Housing affordability is influenced by many factors including demand, supply, mortgage rate, cost of construction, income, population growth, and government housing policy. A comprehensive study regarding housing affordability would require surveys to obtain the above data. In order to conduct the survey and analysis, we request for \$150,000 and an extension of the submission date to September 1, 2023.

Thank you for the opportunity to offer comments.



## Environmental Caucus of The Democratic Party of Hawai'i

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To: The Honorable Glenn Wakai, Chair  
The Honorable Bennette E. Misalucha, Vice Chair  
Committee on Energy, Economic Development, and Tourism

The Honorable Stanley Chang, Chair  
The Honorable Dru Mamo Kanuha, Vice Chair  
Committee on Housing

Re: **SCR 210 / SR 203 REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO SUBMIT A REPORT TO THE LEGISLATURE ON THE BARRIERS TO CREATING AFFORDABLE HOUSING IN THE STATE.**

Hearing: Wednesday, March 30, 2022, 3:10 p.m., Conference Room 224 and via Videoconference

Position: **Strong Support**

Aloha, Chairs Wakai and Chang, Vice Chairs Misalucha and Kanuha, and Members of the Committees on Energy, Economic Development, and Tourism and Housing:

The Environmental Caucus of the Democratic Party of Hawai'i stands in strong support of SCR 210 / SR 1203. These Resolutions would request the Department of Business, Economic Development, and Tourism to submit a report to the Legislature on the barriers to creating affordable housing in the State.

Affordable housing must be based on typical wages earned in the State. The definition of "affordable" sales prices must more accurately reflect what households in Hawaii can realistically afford, taking into consideration additional costs such as homeowners association fees, insurance, utilities, transportation, cost of living, access to low interest rates, and other considerations.

These reports are necessary to assist the state and counties in providing affordable housing for Hawaii residents. The reports will also look at methodologies for determining affordable housing in other states and municipalities with similar high costs of living.

Mahalo for the opportunity to testify.

*Melodie Adaja and Alan B. Burdick*

Co-Chairs, Environmental Caucus of the Democratic Party of Hawai'i