

LINDA LINGLE
GOVERNOR



CHAD K. TANIGUCHI
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
Honolulu, Hawaii 96817

Statement of
Chad K. Taniguchi
Hawaii Public Housing Authority
Before the

SENATE COMMITTEE ON HUMAN SERVICES & PUBLIC HOUSING

January 29, 2008, 1:30 p.m.
Room 016, Hawaii State Capitol

In consideration of
S.B. 2479
MAKING AN APPROPRIATION FOR THE KALOKO HOUSING PROGRAM

S.B. 2187
MAKING AN APPROPRIATION FOR WEST HAWAII HOUSING

The Hawaii Public Housing Authority (HPHA) supports S.B. 2187 and 2479, which would provide the County of Hawaii with funds to build a shelter and affordable housing in Kona. The Legislature has the formidable task of balancing a multitude of needs with limited resources. The HPHA is grateful for this legislation that would support the Hawaii County initiative to create a much needed homeless shelter to replace the only other shelter in the Kona area – Kawaihae Transitional Shelter.

Although the homeless population has experienced steady growth over the last four years, homeless shelter accommodation on the Big Island has remained the same for over eleven years: 24 transitional units at Kawaihae and 11 units of transitional housing plus 79 emergency shelter beds in Hilo. The January 2007 point in time count yielded 1,018 homeless persons on the Big Island on any given day, while our homeless data base puts the number at 1,264 homeless persons on any given day.

The Kawaihae shelter is on leased land with cesspool issues which require abatement. Additionally, the Kawaihae shelter is in a remote location which has serious transportation challenges for residents seeking employment and child care to help them transition to permanent housing. The buildings at Kawaihae Transitional Shelter are portables that have long outlived their original life expectancy, and the shelter is slated to close in June, 2009.

The Kaloko Project represents a community-based response to the need for homeless shelter in Kona. The County of Hawaii has expressed strong commitment with eight acres of land in central Kona in partnership with the community and business. Funding for this sorely needed project will create a respite for the homeless to move from homelessness to economic self sufficiency. The HPHA strongly supports both bills.



CATHOLIC CHARITIES HAWAII

Hawaii Island Community Office (808) 961-7050 · Fax (808) 961-7059
214 Waiānenu Avenue, Suite #105 A · Hilo, HI 96720

SB
2479

FAX TRANSMITTAL

Date: January 10, 2008
Fax #: (808) 586-9391
To: Office of Senator Paul Whalen
From: Julie Nagasako
Subject: Kaloko Housing Program

Aloha,

Please find attached information regarding the Kaloko Housing Program. Our Community Alliance Partners, coalition to end homelessness, had tried to submit this information to your office during our visit to the Capitol on 11/28/07, and have also sent this material via email.

We appreciate your request for further information so we are sending an additional copy by fax. Please respond to confirm your receipt of this material.

We look forward to hearing your thoughts, and hope you will be supportive of this important project.

Contact me if you have any questions, or if I can be of any further assistance.

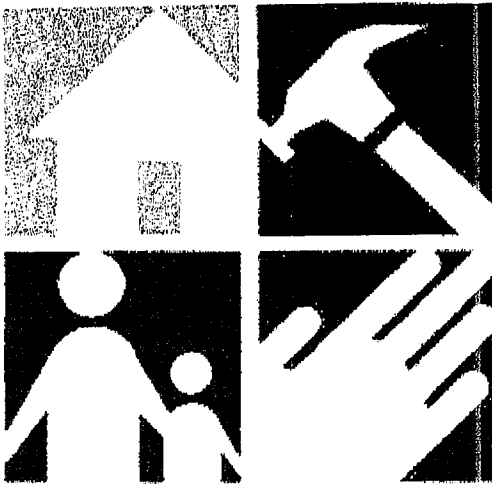
Mahalo!

Number of Pages 7 + Transmittal Sheet

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SB-



A Community Effort

A comprehensive collaborative effort utilizing public-private partnerships to establish a community solution.

Land:

TSA Developer / County

Design Funds:

Federal HOME Funds / County

Infrastructure:

TSA Developer / County

Community Support:

Community Alliance Partners

Construction Funds:

STATE CIP Funding Request

Labor and Materials:

Habitat for Humanity

Program Operator:

(Selection in progress)

Affordable Housing Developer:

(Selection in progress)

Support Services:

Multiple providers (listed at right)

Kaloko Housing Program: Community Investment Timeline

► Completed / In-progress

- Secure land, and commitments for infrastructure
- Obtain Federal funds for project design
- Gather community input to identify key area of need to be served
- Establish network of agencies to provide tailored service array
- Assemble coalition of community advocates
- Promote homeless awareness, cultivate support of neighbors
- Execute contract to begin design process
- Selection of program operator and non-profit project developer

► Current Activity

- Request State contribution toward construction funds

► Future Steps

- Obtain resource commitments from private sector and community
- Begin program construction Phase 1 (transitional*), Phase 2 (affordable)

If needed:

- Pursue additional Federal and State resources for Phase 2 construction
- Initial State funding used to leverage possible matching funds

*State funding is essential to begin construction of transitional housing alternative prior to 2009.

Onsite Services For Families

A network of provider partners offer tailored services to help families succeed.

Homeless Referrals

Office of Social Ministry: Care A Van

Life skills training

Catholic Charities Hawai'i

Job Training and Placement

Workforce Development & Altra Staffing

Budgeting

Catholic Charities Hawai'i

Credit Counseling

Credit Counseling Hawai'i

Renters Education/Tenant Suitability

Office of Social Ministry

Educational Needs

DOE and Migrant Ed. Program

Adult Education, GED, ESL

Kona Community School for Adults

Transportation Services

Catholic Charities Hawai'i

Counseling Referrals

Private, Community Agencies, and Family Guidance Center (DOH)

Keiki Play Program for Toddlers (TIFFE)

The Institute For Family Enrichment

Youth Enrichment Activities

HPA, Youth groups, Under His Wings

Child and Family Development

Hale Kipa, HeadStart, Healthy Start, Neighborhood Place of Kona

These essential partnerships are currently part of the Transitional Housing Program operated by Catholic Charities Hawai'i at Kawaihae. With the proximity of the site to the urban core, the availability of providers, such as the Food Basket and Habitat for Humanity, will increase.

PROGRAMS FOR LEGISLATIVE SESSION 2007-2008
County of Hawai'i – Office of Housing and Community Development
Contact: Jeremy McComber, 808/961-3379

Request: \$12 Million – Kaloko Housing Program

The Kaloko Housing Program (KHP) will be constructed on an 8-acre parcel acquired by the County of Hawai'i (County). The site is located north of Kaloko Industrial Park, off of Hina-Lani Street in Kailua-Kona, Hawai'i (Tax Map Key: 7-3-009:055). The County will facilitate the development of a minimum of 54 multi-family units (24 transitional and 30 affordable rental), which will provide transitional and affordable rental housing to families negatively impacted by homelessness. Included in this program will be a warehouse facility, operated by the Habitat for Humanity – West Hawai'i and The Food Basket, which will provide a unique opportunity for **job readiness and placement** on-site. This essential component will enhance the sustainability of the program – strengthening the ability of participants to not only secure long-term housing, but training and employment resources as well.

The need for a **comprehensive homeless program** has been the County's challenge for over 15 years. The County has worked with the community address the needs of the housing continuum, beginning with the inception of The Friendly Place (donated by Stanford Carr Development), which provides essential daytime services to the homeless population in West Hawai'i. A 30-bed overnight shelter (funded by the County, State and the U.S. Department of Housing and Urban Development), which is currently in the environmental review stage, will address emergency housing needs of the homeless. While the County is utilizing \$40 million of its limited resources to provide permanent affordable housing (rental and for-sale) in Waikoloa, the KHP remains the critically-needed **missing piece of the housing continuum**. Partnership with the business community, along with the service providers composing the **Community Alliance Partners (CAP)**, the KHP has been designed to serve the need of working families in West Hawai'i. As there are currently no immediate neighbors, which has posed problematic in the past, it is critical that the County begin development of the program as soon as possible – alleviating **perceptions of NIMBY (Not In My Backyard)**.

PROGRAM BACKGROUND

The KHP will offer a secure environment, which will strengthen the community by providing **service-enriched housing** – stabilizing families affected by homelessness. Units will be secure, yet user-friendly, while integrating private quarters for families with communal uses such as classrooms and recreational facilities, and office space for supportive service providers. A **tailored service array** will address such needs as life skills training, budgeting and credit counseling, job training and placement, educational referrals and resources, transportation, childcare and youth enrichment, as well as counseling referrals – backed by a government, non-profit and community-based collaborative. A combination of housing and customized services will create an **uplifting environment** that doesn't overpower the residents, who may be afflicted by

any of the social and/or economic strains of homelessness. The end result will be **creation of an affordable community** for families negatively impacted by homelessness – **a safer community closer to where families work and play.**

The County will lease the KHP to a non-profit organization for management and daily operation. Funding for the program will likely be obtained through the State's Homeless Stipend (SHSP) Program and revenues generated by the affordable rentals. As such, management and recordkeeping for the program will be conducted by the program operator in accordance with SHSP requirements and applicable rental guidelines.

Monitoring of the lease agreement with the program operator will be conducted by the County's Office of Housing and Community Development (OHCD).

FUND AMOUNT REQUESTED

The County requests \$12 million for construction of the KHP. Phase I will include 24 units to replicate and enhance transitional housing and services currently offered at Ka Hale O Kawaihae Transitional Housing Program, while Phase II will offer 30 service-enriched rental housing units to provide longer-term housing opportunities for participants successfully transitioning from emergency housing programs or working families in need of affordable rental housing.

NEED OF FUNDS

SHELTER CLOSURE

The need for this program is urgent, with the forecasted closing of the Ka Hale O Kawaihae Transitional Housing Program (24 units), a temporary shelter located in close proximity to a tsunami inundation area – **the only shelter that serves homeless families** in West Hawai'i. The small, **10' x 10' portables** are housing large families of **6 to 8 people**. This housing program, an interim solution utilized until a more practical site could be secured, remains at full capacity some **15 years later**. The KHP will replace the loss of the Kawaihae shelter as well as provide a significant increase in housing inventory for Hawai'i County. Units at KHP will more than double the current county and state supply of supportive units currently in operation.

GROWING POPULATION

As the Big Island continues to grow in size, so does its population. The most current *County of Hawai'i Data Book, 2004 (with updates)*, confirms that the Big Island has experienced a large population increase – from just under 150,000 people in 2000 to just over 170,000 in 2006. This **rapid rate of population growth surpasses** the other rural island counties. In addition, the Big Island continues to have the **highest per capita of homeless persons** in the state.

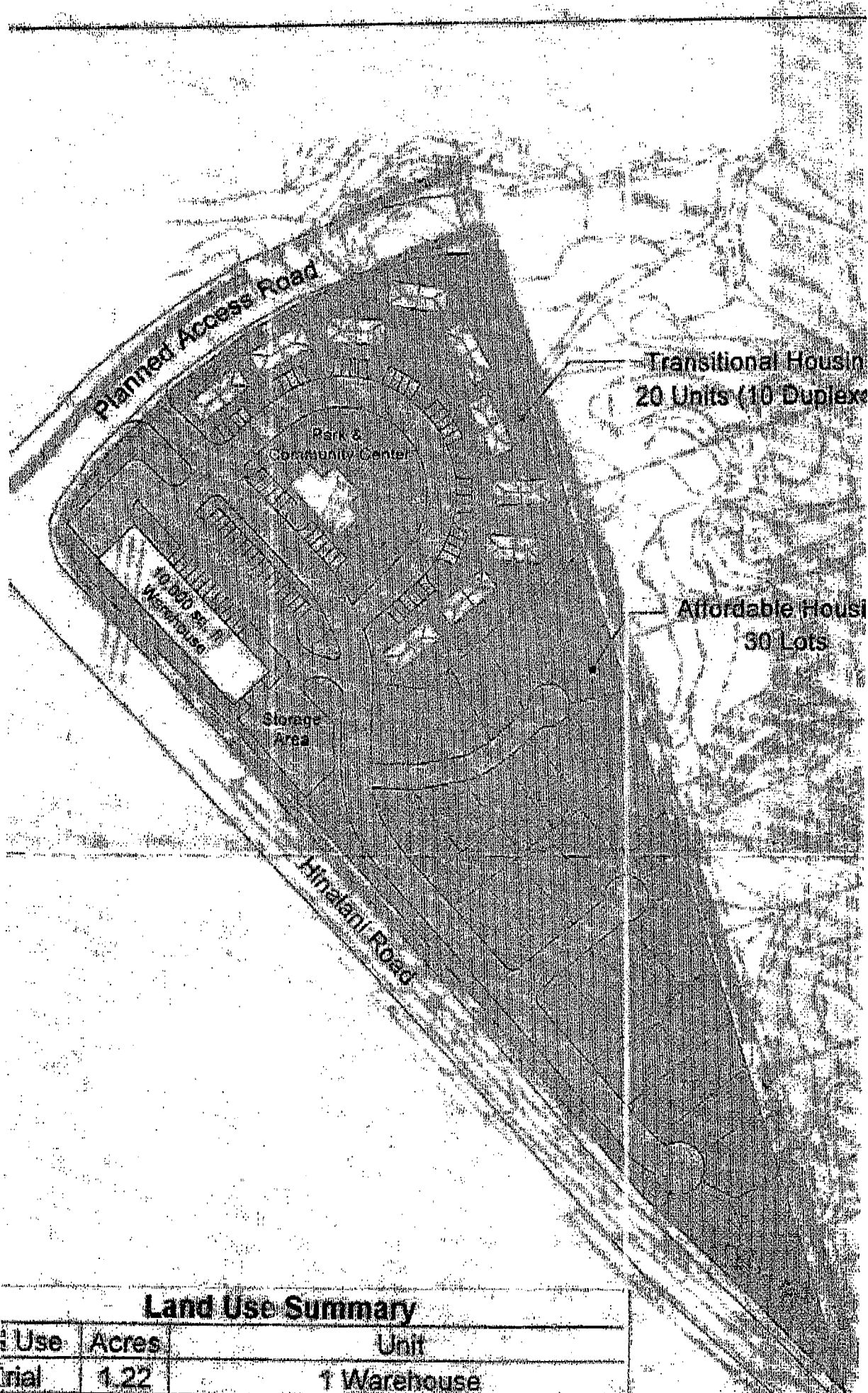
ACCESS TO LIFE ESSENTIALS

While the state as a whole has felt the negative affects of increasing housing prices and decreased availability of affordable housing inventory, the Big Island remains the **most**

KALOKO HOUSING PROGRAM Preliminary Budget

	Phase I (24 Transitional Units; 1 Warehouse)	Phase II (30 Permanent Affordable Rental Units)		<u>Total</u>
OFF-SITE WORK				
Road Improvements	\$ 218,000.00	\$ -	\$ -	\$ 218,000.00
Waterline Extension	\$ 76,700.00	\$ -	\$ -	\$ 76,700.00
Water Fees	\$ 92,394.00	\$ -	\$ -	\$ 92,394.00
HELCO Fees	\$ 17,700.00	\$ -	\$ -	\$ 17,700.00
ON-SITE IMPROVE				
Site Work	\$ 1,000,020.00	\$ -	\$ -	\$ 1,000,020.00
Sewage Disposal	\$ 236,000.00	\$ -	\$ -	\$ 236,000.00
Landscaping	\$ 177,000.00	\$ -	\$ -	\$ 177,000.00
NEW CONSTRUCTION				
New Buildings	\$ 3,560,453.33	\$ 4,450,566.67	\$ -	\$ 8,011,020.00
Furniture, Fixtures & Equipment	\$ 13,111.11	\$ 16,386.89	\$ -	\$ 29,500.00
CONTINGENCY				
Construction Contingency	\$ 405,771.11	\$ 507,213.89	\$ -	\$ 912,985.00
ARCHITECTURAL & ENGINEERING				
Architecture Fee Design	\$ 350,460.00	\$ -	\$ -	\$ 350,460.00
Blueprints	\$ 8,903.00	\$ -	\$ -	\$ 8,903.00
Civil Engineer Fees	\$ 169,544.00	\$ -	\$ -	\$ 169,544.00
Sanitation Engineer/Permitting	\$ 39,289.00	\$ -	\$ -	\$ 39,289.00
Landscape Architect	\$ 51,520.00	\$ -	\$ -	\$ 51,520.00
Geotechnical Services	\$ 23,800.00	\$ -	\$ -	\$ 23,800.00
Survey	\$ 20,160.00	\$ -	\$ -	\$ 20,160.00
Construction Management	\$ 173,544.00	\$ -	\$ -	\$ 173,544.00
INTERIM COSTS				
Construction Insurance	\$ 20,977.78	\$ 26,222.22	\$ -	\$ 47,200.00
Construction Interest	\$ -	\$ -	\$ -	\$ -
Construction Loan Origination Fee	\$ -	\$ -	\$ -	\$ -
Appraisal	\$ 1,066.67	\$ 1,333.33	\$ -	\$ 2,400.00
Real Property & Other Taxes	\$ -	\$ -	\$ -	\$ -
Construction Docs./Loan Legal	\$ 7,866.67	\$ 9,833.33	\$ -	\$ 17,700.00
FINANCING FEES & EXPENSE				
Permanent Loan Origination Fee	\$ -	\$ -	\$ -	\$ -
Title & Recording	\$ 10,488.89	\$ 13,111.11	\$ -	\$ 23,600.00
SOFT COSTS				
Market Study	\$ 10,500.00	\$ -	\$ -	\$ 10,500.00
Environmental Report	\$ 76,700.00	\$ -	\$ -	\$ 76,700.00
Tax Credit Fee	\$ -	\$ -	\$ -	\$ -
Rent Up	\$ -	\$ -	\$ -	\$ -
SYNDICATION				
Organizational	\$ -	\$ -	\$ -	\$ -
Tax Opinion	\$ -	\$ -	\$ -	\$ -
DEVELOPER'S FEES				
Developer's Overhead	\$ 306,222.22	\$ 382,777.78	\$ -	\$ 689,000.00
Developer Fee	\$ 124,444.44	\$ 155,555.56	\$ -	\$ 280,000.00
TOTAL	\$ 7,192,438.22	\$ 5,563,002.78	\$ -	\$ 12,755,439.00

Estimates based on Hualalai Elderly Housing Phase III (30 one-bedroom units (500 square feet each), office space, common restrooms, laundry and activity rooms) and Kinohi Senior Housing Project (30 one-bedroom units (576 square feet each), elevators, office space, laundry room, common restrooms, maintenance facility, activity room, and common kitchen and gathering areas). The figures were adjusted for the actual number of units, size of units, number of bedrooms, construction type and inflation as stated in the Consumer Price Index (CPI)



Land Use Summary

Use	Acres	Unit
Industrial	1.22	1 Warehouse

Senator Suzanne Chun-Oakland, Chair
Senator Les Iharra, Vice-chair
Committee on Human Services and Public Housing

Testimony provided by:

Rev. Konelio Faletoi, Pastor, St. Michael the Archangel Church, Kailua-Kona, HI

HSP Public Hearing Date: 01-29-08 at 1:30 pm in conference room 016.
Support of SB 2187, Making An Appropriation for West Hawai'i Housing
Support of SB 2479 S.D. 3, Making An Appropriation of the Kaloko Housing Program

The rapidly growing population of working poor in West Hawaii, unable to find a place to live in their own community, are pushed into homelessness, living on the beach, in vehicles, and in remote rural areas. They struggle with inadequate transportation to maintain employment, care for their families, and access support services. An extremely limited number of programs and facilities are pressed to stretch their resources beyond capacity to accommodate the needs of the homeless population.

Three major reasons make the Kaloko Housing Program critical for addressing West Hawaii's housing crisis at this time:

1. The one facility for homeless families on the west side of the Big Island—the Kawaihae Transitional Housing Program—is scheduled to close in 2009 due to health and safety issues at the facility. Families who need this service will be put back on the street if an alternative site is not provided. The Kaloko Housing Program will provide this alternative.
2. The Kaloko Housing Program will increase the number of homeless and low income families who can be provided housing and support services as they work to secure and maintain permanent housing of their own.
3. The Kaloko Housing Program will include construction of new housing facilities that can be rented by low income families who work in the immediate neighborhood. This will eliminate the several hours spent each day by them driving from far distances on the Big Island, thus giving parents more time to provide their children the parenting they need and deserve.

As pastor of St. Michael the Archangel Church in Kona, I am pleased to report that our Social Ministry Committee collected over 600 petitions from parishioners after the Masses this past weekend indicating their overwhelming support for construction of the Kaloko Housing Program. In order to have housing available for homeless families in West Hawaii by June 2009 when the Kawaihae facility is closed, construction has to begin in Summer 2008. It would be unacceptable to displace 24 families with 66 children and put them back on the street. We urge the Hawaii State Legislature to appropriate the funds essential to launch this critical program.


Rev. Konelio Faletoi

Senator Suzanne Chun-Oakland, Chair
Senator Les Ihara, Vice-chair
Committee on Human Services and Public Housing

Sonia Scadden - 808-329-7133
St. Michael's Social Ministry Committee and CAP member

HSP Public Hearing Date: 01-29-08 at 1:30 pm in conference room 016.

Support of SB 2187, Making An Appropriation for West Hawai'i Housing
Support of SB 2479 S.D. 3, Making An Appropriation of the Kaloko Housing Program

My name is Sonia Scadden. I live in Kailua-Kona on the Big Island. I am an active member of the Social Ministry Committee of St. Michael's Catholic Church and represent St. Michael's on CAP, the Community Alliance Partners that works to find solutions to homelessness. As a volunteer involved in feeding the homeless at the Friendly Place in Kailua-Kona, I have the opportunity to talk to many of those in our community who have no place of their own to call home or to raise their children. Their stories have profoundly affected me, and that is why I am here today.

For example, two weeks ago today as we were finishing serving, a well-dressed young couple whom I had not seen before came to be served. In conversation with them, I learned that they were both working in town and had come on their lunch hour for a hot meal. They told me that they had children, but because their family was homeless, they spent the nights outdoors somewhere in the bushes. This is no way for parents to be forced to raise their children! Even though they are both working, they do not make enough money to afford any available place for rent.

Based on the 2007 Homeless Service Utilization Report published by the Center on the Family at the University of Hawaii at Manoa there are 1,228 unsheltered people on the Big Island. It is a very sad fact that 1 out of 3 is a child. Of these children, 210 are under the age of 5. They are babies! Hawaii County has the largest percentage of unsheltered children under the age of 5 in the state. It is hard enough to be a parent these days, but imagine trying to be a parent and have to live unsheltered, being constantly on watch for your children's safety.

Another parent told of how it was to live in a car. The father would stand guard for 5 hours while his wife and children slept and then he would wake his wife and let her be "on guard" while he slept his 5 hour shift. Imagine trying to function at a job and trying to save money for rent and live under those circumstances. According to the 2007 Homeless Service Utilization Report, on our island, 1 out of every 6 homeless persons is employed either part time or full time. They are trying to get their lives together. These are examples of the people that are being helped by the Kawaihae Transitional Housing Program.

But, as you know, in less than 18 months, Kawaihae Transitional Housing will close. This is the only facility for homeless families in West Hawaii, an area comprising 2,230 sq. miles, more than 3 times the area of the entire island of Oahu. Since it houses only 24 families it is always totally occupied with an extensive waiting list.

Currently, the West Hawaii CAP Outreach Committee is conducting a campaign to educate citizens about the homeless issues and the need for the Kaloko Housing Program and we are collecting their signatures on petitions in support of the Kaloko Housing Program. I have brought with me today over 600 such petitions that we collected at the Masses this past weekend at St. Michael's Parish in Kona. All of us strongly urge you to pass SB 2187 and SB 2479.

We are asking the state legislature to make the appropriations needed to construct the Kaloko Housing Program.