

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

HOUSE COMMITTEE ON FINANCE

March 4, 2009 10:30 A.M..
Room 308, Hawaii State Capitol

In consideration of
H.B. 1692, HD1
RELATING TO HOUSING

The Hawaii Public Housing Authority (HPHA) supports the intent of H.B. 1692, HD1, to encourage upward mobility, prevent multigenerational tenancy, and increase the supply of low income housing. This measure would restrict leases to tenants for no more than 5 years (except tenants 55 years and older, with mental or physical disabilities, or retired for medical reasons) for state public housing units.

The Legislature can decide to restrict length of leases to tenants for the 288 state family public housing units. However, planning for how such a transition will impact current tenants should be done in light of the continuum of housing resources available. HPHA requests that this measure specify that existing long-term residents be phased into the new requirement by amending the bill as follows:

SECTION 2. Section 356D-43, Hawaii Revised Statutes, is amended to read as follows:

"~~[[§356D-43]]~~ **Rentals[.]; leases.** (a) Notwithstanding any other law to the contrary, the authority shall fix the rates of the rentals for dwelling units and other facilities in state low-income housing projects provided for by this subpart, at rates that will produce revenues that will be sufficient to pay all expenses of management, operation, and maintenance, including the cost of insurance, a proportionate share of the administrative expenses of the authority to be fixed by it, and the costs of repairs, equipment, and improvements, to the end that the state low-income housing projects shall be and always remain self-supporting. The authority, in its discretion, may fix the rates in amounts as will produce additional revenues (in addition to the foregoing) sufficient to amortize the cost of the state low-income housing project or projects, including equipment, over a period or periods of time that the authority may deem advisable.

(b) Notwithstanding any other law to the contrary, if:

- (1) Any state low-income housing project or projects have been specified in any resolution of issuance adopted pursuant to part I;
- (2) The income or revenues from any project or projects have been pledged by the authority to the payment of any bonds issued under part I; or

(3) Any of the property of any state low-income housing project or projects is security for the bonds, the authority shall fix the rates of the rentals for dwelling units and other facilities in the state low-income housing project or projects so specified or encumbered at increased rates that will produce the revenues required by subsection (a) and, in addition, those amounts that may be required by part I, by any resolution of issuance adopted under part I, and by any bonds or mortgage or other security issued or given under part I.

(c) No tenant, except for persons fifty-five years and older, persons with a mental or physical disability, or retired for medical reasons, shall rent, lease, or occupy any dwelling for more than five years; provided that, for current tenants of state public housing the 5 year time period begins on the effective date of this Act.



HB 1692, HD 1 Relating to Housing
House Committee on Finance

March 4, 2009

10:30 a.m.

Room 308

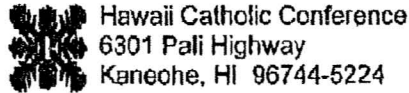
The Office of Hawaiian Affairs **supports** the purpose and intent of HB 1692, HD 1.

The Hawaii Housing Policy Study Update, 2006 confirmed Hawaiians are more likely to be renters and most may face significant challenges because of their relatively low income per household member.

Public Housing has been an alternative for Hawaiians. The inventory of public housing has not been able to keep up with demand. The purpose and intent of this bill to break the vicious cycle of welfare and public housing will work only if HPHA promotes programs of homeownership counseling, financial literacy, and individual development accounts for the down payment. HPHA need to look at setting aside a part of the monthly rent for the purpose of using the funds for the tenant to move to a market rent unit or for the purchase of an affordable unit.

We recognize that physical solutions by themselves will not solve social and economic problems, but neither can economic vitality, community stability, and environmental health be sustained without a coherent and supportive physical framework.

Mahalo nui loa for the opportunity to provide this testimony.



A JOINT LEGISLATIVE EFFORT

FAX: 586-6001
Regarding: House Finance Committee
Hearing on: March 4, 2009 @ 10:30 a.m. In room 308

Date: March 2, 2009
To: House Finance Committee
Representative Marcus Oshiro, Chair
Representative Marilyn Lee, Vice-Chair
From: Dennis Arakaki
Executive Director
Hawaii Family Forum / Hawaii Catholic Conference
Re: Opposition to HB 1692 HD 1 Relating to Housing

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Honorable Chair and members of the House Finance Committee, I am Dennis Arakaki, representing both the Hawaii Family Forum and the Roman Catholic Church in the State of Hawaii.

Hawaii Family Forum is a non-profit, pro-family education organization committed to preserving and strengthening families in Hawaii. The Roman Catholic Church in Hawaii, under the leadership of Bishop Larry Silva, represents over 220,000 Catholics in Hawaii.

We are opposed to this measure because this bill would impose a 5 year limit for all public housing except for people who are elderly, disabled or retired for medical reasons.

In order to break the cycle of multiple generations living in public housing, there must be a concerted effort and adequate funding to provide the services needed to move families onto market housing. If there is no affordable housing for people at 15% to 30% to 40% of median income, where would they go? There must be a plan and adequate programs implemented before a measure such as a 5 year limit should be considered.

We would support measures to encourage those who have increased their incomes to pay more as their income grows, with no cap on the amount of rent that would be paid (e.g. 30% of income). We also would support counseling and moving assistance once families have reached a higher level of income; however, families may not be stable and may have wide swings in income, so care must be taken in developing the administrative rules to allow for stability in income, before forcing a family out of housing and possibly into homelessness.

Mahalo for the opportunity to testify.



CATHOLIC CHARITIES HAWAII

TESTIMONY- OPPOSE HB 1692, HD1: RELATING TO HOUSING

TO: **Representative Marcus Oshiro, Chair**, Representative Marilyn Lee,
Vice Chair, and Members, House Committee on Finance

FROM: Betty Lou Larson, Housing Programs Director, Catholic Charities Hawaii

HEARING: **Wednesday, March 4, 2009**, 10:30 am; CR 308

Chair Oshiro, Vice Chair Lee, and members of the Committee on Finance:

Thank you for the opportunity to provide written testimony on this housing bill. I am Betty Lou Larson, the Housing Programs Director at Catholic Charities Hawaii. We are also members of Partners in Care. Catholic Charities Hawaii **OPPOSES** this bill which would impose a 5 year limit for all public housing except for people who are elderly, disabled, or retired for medical reasons.

While we agree with the concerns expressed in the Purpose section, this draconian measure should be a last step, not a first step to address these long-standing issues. In order to break the cycle of generation after generation living in public housing, first there must be a concerted effort and adequate funding to provide the services needed to move families onto market housing. If there is no affordable housing for people at 15% to 30% to 40% of median income, where would they go? There must be a plan and adequate programs implemented before a measure such as a 5 year limit should be considered. **We suggest a Task Force to work on the complicated issues involved.**

Development of such a plan needs time and input from HPHA, residents, and the community, including the homeless service providers. Partners in Care (Oahu continuum of service providers, government agencies, and persons concerned about homelessness) has begun to discuss this issue. Catholic Charities Hawaii also has many programs that assist both homeless persons and those at risk to prevent homelessness.

There are many other issues that would need to be addressed in an overall plan. For example, Catholic Charities Hawaii would support measures to increase rents as incomes increase, with no cap on the amount of rent that would be paid at 30% of income. This would encourage families to move out if their incomes increase to where they could afford a market unit. We also would support that once families have reached a high level of income they should be counseling and assisted to move out. However, families may not be stable and may have wide swings in income, so care must be taken in developing the administrative rules to allow for stability in income, before forcing a family out of housing and possibly into homelessness.

We commend the Committee for taking on such a difficult and complex issue. However, we urge you defer this bill, until an overall plan be developed before measures like a 5 year limit are considered. We urge the legislature to work with the HPHA, the residents and the community to developed future options to address these complicated issues. Thank you for hearing our concerns.



To: Representative Marcus Oshiro, Chair,
Representative Marilyn B. Lee, Vice Chair
Committee on Finance

From: Community Alliance Partners
Hawai'i Island Continuum of Care to End Homelessness
(808) 933-6033 hawaiicap@gmail.com

FIN Public Hearing Date: Wednesday, March 4, 2009 (10:00 a.m.) CR 308

OPPOSE: HB 1692 RELATING HOUSING

Dear Chair Oshiro, Vice Chair Lee, and members of the Committee on Finance:

Community Alliance Partners (CAP), the Continuum of Care for the Island of Hawai'i, is a broad based consortium of social service providers and community members working together to address the issue of homelessness. These efforts are centered on collaboration to support the development of a spectrum of resources and services to assist those affected by homelessness in obtaining and maintaining sustainable housing and achieving economic self-sufficiency.

CAP is writing in OPPOSITION to HB 1692 which would impose a 5 year limit for all public housing except for people who are elderly, disabled, or retired for medical reasons.

A comprehensive approach is needed to help address the challenges of generational dependence on public housing. In order to truly facilitate "upward economic mobility" this effort must consider:

- development of adequate affordable housing inventory (accessible to families of low income)
- introduction of systems which provide incentive for households working to increase their income
- support services to help prepare them for the transition to market housing.

The isolated imposition of a 5-year limit at this time will not achieve this goal, but result in the opposite outcome, as numerous unprepared families become displaced back into homelessness.

We encourage the committee not to pass HB 1692 at this time, and would look forward to the opportunity to continue dialogue to develop a comprehensive plan to address this important issue.

Thank you for the opportunity to testify.

COMMITTEE ON FINANCE

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Agaran

Rep. Chris Lee

DATE: Wednesday, March 04, 2009

TIME: 10:30 a.m.

PLACE: Conference Room 308

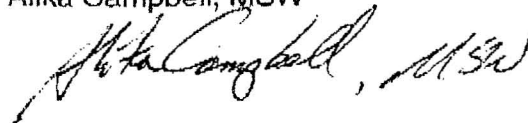
State Capitol

415 South Beretania Street

TESTIMONY- OPPOSE HB 1692: RELATING TO HOUSING

Thank you for the chance to testify. My name is Alika Campbell, I am a social worker, and have been working with people experiencing homelessness for over 10 years. While I applaud the intent of this bill, to empower people to move beyond public housing and not end up trapped in a cycle of poverty, I'm not sure that the bill in its current form will achieve these goals. My concern is that the "next step" after public housing is not viable for many of the people who would be forced out of housing. As I'm sure you know there is a serious lack of affordable/workforce housing across the state so I am worried that a possible/probable unintended consequence of the passage of this legislation would be forcing people out of public housing without there being anywhere for them to go. With the current uncertainty of the state and national economies it seems unnecessarily risky to me to support legislation that could drive people to homelessness, therefore I ask you to please vote against this well meaning but dangerous legislation. Thank you,

Alika Campbell, MSW



House Committee on Finance

Wednesday, March 4, 2009 10:00 am Rm 308

TESTIMONY IN SUPPORT OF HB 1692

Chair Marcus Oshiro, Vice Chair Ken Ito, and members of the Finance Committee

Thank You for the opportunity to testify in strong support for HB 1692. I am Ilalo Parayno, a retired educator and spent 41 years with DOE as a teacher and administrator.

This bill is a viable approach necessary not only to address this challenge but also to provide assistance to working individuals to help prepare them for the transition. In this challenging time of economic crisis every effort to build more affordable housing is not feasible to solve generational dependence to public housing.

Public Housing and other government subsidies were intended to be temporary and transitional in nature to help someone through some rough times and to get back on their feet. Instead public housing has become an entitlement for the same families to live for free in public housing and occupied by same families for three generations. This does not give the other 14,000 others who have been waiting on the list for a chance to get into public housing.

Given this restriction, it will motivate them to strive harder to become self sufficient within 5 years. Without imposing conditional limit to their length of occupancy will not provide them incentive to become self supporting and will deter their upward economic mobility.

This bill is intended for transitional public housing with the exemptions of truly needy individuals such as mental and/or physically disabled individuals, or retired for medical conditions for such reasons that they are incapacitated to improve their living conditions. Otherwise, occupants who remain in the transitional public housing for more than three generations will unfairly deny those 14,000 deserving individuals equal access the use of public housing.

Thank you for the opportunity to testify in support of HB 1692.

HB1692
House Finance Committee
Netra Halperin, MA
Support

Aloha Chair Oshiro and members of the Finance Committee,

My name is Netra Halperin and I support HB 1692. As a social worker I have seen first-hand that poverty is passed on through many generations. Unless the causes of poverty are addressed, it will continue. By allowing families to prolong their stay at public housing generation after generation, without a clear incentive plan that includes job and life skills training, and psychological support to move on to market housing, the cycle of poverty will continue.

HB1692 provides the "stick" part of this process. By making a clear boundary that, unless the person is eligible for elderly or disabled housing, able-bodied individuals will be required to become motivated to overcome barriers to escaping poverty.

Next year we will propose the "carrot" portion of this program.

Thank you for hearing my testimony.