

House Committee on Housing

Wednesday, April 1, 2009 at 9:00 am CR 325

In Support of HCR 282-Relating to Public Housing

Aloha Chair Rida Cabanilla, Vice Chair Pono Chong and members of the Housing committee.

I am Christopher Manabat testifying in support of HCR 282, a bill that will mandate for minimum rent at our public housing projects is useful to help ensure that housing facilities are well kept. With the diminishing federal funding and low state revenues, maintenance of public housing facilities will deteriorate in no time. Minimum contribution by all tenants and an ongoing process to raise the rents will enable landlord to meet expenses as they rise. A collaborative effort by HPHA, residents, and the community will prevent the solvency of rental projects that tax payers and the government let alone cannot do.

There should be flexibility in the selection preference to ensure fairness to those who have been in the wait list for quiet period of time and to prevent populating public housing with homeless people that will defeat the purpose of mixed used concept.

Thank you for the opportunity to testify.

HOUSE OF REPRESENTATIVES
THE TWENTY-FIFTH LEGISLATIVE, REGULAR SESSION OF 2009

WRITTEN TESTIMONY
COMMITTEE ON HOUSING

Chair: Rida Cabanilla Vice Chair: Pono Chong
And Members of Housing Committee

DATE: Friday, April 1, 2009
TIME: 9:00 am
PLACE: Conference Room 325
State Capitol, 415 South Beretania St.
Honolulu, Hawaii

In Support of
HCR 282
Relating to
PUBLIC HOUSING

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My name is Dr. Inam Rahman, a resident of Honolulu, Hawaii for the last 15 years. I support the intent of this bill to provide affordable housing that is decent and secure to working people with low income.

A minimal rental requirement provides a win- win situation between tenant and landlord. It encourages working people to strive and better themselves and deters them to become homeless and at the same time provides landlord revenues to continue in maintaining a better living condition.

Our disabled veterans on the other hand who have served and protected us and our country should be given preference of tenancy in the rental units and not let them become homeless as a means of our appreciation to them.

Thank you for the opportunity to testify.

Inam Rahman, MD.



CATHOLIC CHARITIES HAWAII

TESTIMONY- COMMENTS – HCR 282 & HR 254: URGING THE HAWAII PUBLIC HOUSING AUTHORITY TO INCREASE THE MINIMUM RENT SCHEDULE.

TO: **Representative Rida Cabanilla, Chair**, Representative Pono Chong, Vice Chair, and Members, House Committee on Housing

FROM: Betty Lou Larson, Housing Programs Director, Catholic Charities Hawai'i

HEARING: Wednesday, April 1, 2009, 9:00 am; CR 325

Chair Cabanilla, Vice Chair Chong, and members of the Committee on Housing:

Thank you for the opportunity to testify on these resolutions. I am Betty Lou Larson, the Housing Programs Director at Catholic Charities Hawai'i. We are also members of Partners in Care. While Catholic Charities Hawai'i does not oppose the establishment of a minimum rent, we are concerned about the impact of a sudden large change in the rent on elderly, disabled and families living on very low incomes.

Knowing the many challenges facing the State's housing projects, we would support a fair minimum rent that would be used to help ensure housing is safe, in good repair, and provides dignity to the tenants. A minimum rent would assist the housing projects to stabilize their projections for rental income. We are concerned that a jump to \$250 or more without the ability for HPHA to phase in these increases may result in some elderly and disabled as well as families losing their units due to the increased cost.

We urge that you provide HPHA some flexibility in the implementation with existing tenants so as not to drive these tenants into homelessness. **We urge you to provide that HPHA may implement increases over one year, depending on the percentage of rent increase.** As stated in the resolutions, current rents for family housing range from \$108 to \$212. The increase to a minimum of \$250 per unit would result in sudden rent increases from 131% to 18%. If rents for larger sized units are increased higher than \$250, they also could see increases of over 100%. How many of us could suddenly manage a 50% to 100% increase in our rent? Lower income families do not have the financial resources to suddenly pay such huge increases in the percentage of rent owed.

For example, at a rent of \$250, a disabled person on General Assistance would suddenly be charged approximately 54% of their income on rent, vs. 30% currently. We are also concerned about families losing their jobs in this economic downturn. What flexibility would HPHA have to address these situations?

We urge your Committee to include flexibility in this bill to prevent tenants who are currently paying their rents from being forced into homelessness.



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 HOUSING

April 1, 2009 9:00 A.M.
Room 325, Hawaii State Capitol

In consideration of
HCR 282 and HR254

URGING THE HAWAII PUBLIC HOUSING AUTHORITY TO INCREASE THE MINIMUM RENT SCHEDULE

The Hawaii Public Housing Authority (HPHA) supports the intent of HCR 282 and HR 254, to establish a minimum rent schedule that more nearly covers the cost of public housing units. . HPHA agrees with the concept of a minimum contribution by all tenants, but is able to set rent levels only for the 864 state public housing units, not the 5331 federal public housing units.

For state public housing, HPHA is required by HRS 356D-43(a) to have the rents pay for all expenses of the state family and state elderly housing. HPHA has not raised the minimum rents since 2001 for state family units and since 2005 for state elderly units. HPHA can set the \$250 minimum rent for new tenants, but would phase in higher rents for current tenants over a four year period. Otherwise the rate of increase will be too fast.