

**SB 773**



**A JOINT LEGISLATIVE EFFORT**

E-Mail to: [WAMTestimony@Capitol.hawaii.gov](mailto:WAMTestimony@Capitol.hawaii.gov)  
Regarding: Senate Committee on WAM  
Hearing on: March 2, 2009 @ 9:30 a.m. in room 211

**Date:** February 27, 2009

**To:** Senate Committee on Ways & Means  
Senator Donna Mercado-Kim, Chair  
Senator Shan Tsutsui, Vice Chair



**From:** Dennis Arakaki  
Executive Director  
Hawaii Family Forum / Hawaii Catholic Conference

**Re:** Support for SB 773 SD 1 Relating to Housing

Honorable Chair and members of the Senate Committee on Ways & Means, 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 support HB 773 SD1, which appropriates funds for various homeless and housing programs and projects.

Construction is a strong economic stimulus. With 40% of union carpenters out of work and the jobless rate increasing monthly, funding the Rental Housing Trust Fund (RHTF) is critical. One time funding of \$25 million and 50% of the conveyance tax will create long term, new affordable rental housing now and for the future. Projects are waiting for funding but there are not adequate funds. The RHTF mandates that 5% of the units be built for families at 30% of median income, creating units for Hawaii's most needy citizens. Housing is desperately needed during this economic downturn to support families who are losing jobs or hours. Funding the RHTF is vital for housing developers to move forward to search for land and develop projects. Otherwise new rentals will stop being produced. Funding DURF and public housing repairs also would create jobs in construction that would help increase jobs in these tough economic times.

Please see our suggested amendments on page two (attached.)

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**Page Two**

SB 773 SD1, Relating to Housing

We would suggest the following amendments:

- 1) Section 13: Replace the whole section with the following: “There is appropriated out of the general revenues of the State of Hawaii the sum of **\$1 million** or so much thereof as may be necessary for fiscal year 2009-2010 and 2010-2011 for the provision of continual operating funds to provide matching funds for shelter plus care grants”.
  - a. Considering the current fiscal difficulties, we recommend that this section be narrowly focused to provide matching funds for Shelter Plus Care programs in order to utilize federal funds that provide housing subsidies for persons with disabilities who are homeless. These programs have proven to be highly effective in getting high-risk individuals off the streets, into market housing, and stabilized with their support services.
- 2) Section 14. We appreciate the intent but due to the current financial difficulties, we suggest to focus on one initiative only--the **Kaloko project on the Big Island**. We support the intent of the County of Hawaii to designate funding to support the construction of the Kaloko Housing Project.



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March 2, 2009

**LATE**

**The Honorable Donna Mercado Kim, Chair**  
Senate Committee on Ways and Means  
State Capitol, Room 211  
Honolulu, Hawaii 96813

**RE: S.B. 773, S.D.1, Relating to Housing**

**HEARING DATE:** Monday, March 2, 2009 at 9:30 a.m.

Aloha Chair Kim and Members of the Committee on Ways and Means:

I am Craig Hirai, a member of the Subcommittee on Taxation and Finance of the Government Affairs Committee of the Hawai'i Association of REALTORS® ("HAR"), here to testify on behalf of the HAR and its 9,600 members in Hawai'i. HAR **supports** S.B. 773, S.D.1, Relating to Housing, which among other things permanently reestablishes the 50% allocation of Conveyance Tax to the Rental Housing Trust Fund.

We believe that Smart Growth is our road map to sustaining and enhancing the quality of life in our communities and we believe that this bill aligns with our core principle of providing housing opportunities.

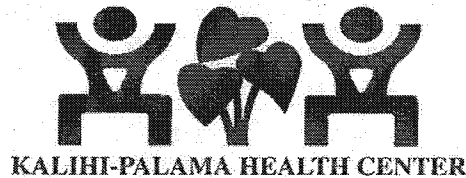
HAR has historically supported mechanisms to help increase the supply of low and moderate income affordable housing such as the Rental Housing Trust Fund Program which can help integrate the use of mixed-income and mixed-use projects, special purpose revenue bonds, low-interest loans, block grants, low-income housing tax credit programs and deferred loan programs to provide rental housing opportunities.

The Rental Housing Trust Fund currently receives 30% of Conveyance Tax collections. The Rental Housing Trust Fund Program, coupled with federal and state low income housing tax credits, is the most productive of all government assistance programs. However, there is never enough money in the Rental Housing Trust Fund to satisfy the need for low-income rentals. The allocation of Conveyance Tax collections to the Rental Housing Trust Fund should be permanently reestablished at 50%.

HAR looks forward to working with our state lawmakers in building better communities by supporting quality growth, seeking sustainable economies and housing opportunities, embracing the cultural and environmental qualities we cherish, and protecting the rights of property owners.

Mahalo for the opportunity to testify.

**LATE**



*Hale Ho'ola Hou-House of New Life  
Health Care for the Homeless Project*

**TESTIMONY IN SUPPORT OF SB773: RELATING TO HOUSING**

TO: Senator Donna Mercado Kim, Chair, Senator Shan S. Tsutsui, Vice Chair  
and Members of the Senate Committee on Ways and Means

FROM: Laura E. Thielen, MSW, Housing Supervisor, Kalihi-Palama Health  
Center Health care for the Homeless Project

Hearing: Monday, March 2, 2009  
9:30am  
Conference Room 211

Chair Mercado Kim, Vice Chair Tsutsui and Members of the Committee on Ways and  
Means:

Good Morning. My name is Laura E. Thielen and I am the Housing Supervisor at Kalihi-  
Palama Health Center's Health Care for the Homeless Project. We are also an active  
member with Partners In Care here on Oahu.

We stand in strong support of many of the initiatives proposed in Senate Bill 773 SD1  
including the allocation of funds directed to homeless services such as Shelter Plus Care.  
Shelter Plus Care is a federal housing subsidy program that enables disabled individuals  
to move into market rentals throughout our community. Clients are required to pay 30%  
of their income towards rent and the rest is subsidized. In return for being on the  
program, clients receive wrap around services which assist them in maintaining  
independence while at the same time decreasing costs associated with being homeless.  
Case Managers and Housing Specialists are matched up with every client and they assist  
clients in maintaining housing, hook them up with medical and psychiatric services, and  
employment opportunities. The Shelter Plus Care program requires a \$1:\$1 match ratio,  
which means that HUD provides the funding for the rental subsidy and providers must  
provide minimum of services equal to the subsidy. ACT 222 provided a small amount of  
funding from the State to meet this match requirement. We are requesting that this fund  
continue to be available and that other agencies are able to access the matching funds.  
We would suggest that \$1 million of State general revenues be provided for FY 2009-  
2010 and 2010-2011 for the continued operating funds to provide matching funds for the  
Shelter Plus Care program.

We urge you to support this measure today. Thank you for your time and consideration.

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The Mission of the Health Care for the Homeless Project is to reach and care for those individuals most in need of help  
who are least likely to receive services in other settings. We provide access to professional and integrated medical,  
mental health, and social services. Our commitment is to address both immediate needs and reintegration of persons  
into the larger community.