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Statement of
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Before the

**HOUSE COMMITTEE ON HOUSING
HOUSE COMMITTEE ON HUMAN SERVICES**

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Room 329, Hawaii State Capitol

INFORMATIONAL BRIEFING ON HOMELESSNESS IN HAWAII

Thank you for the opportunity to provide the Committees with information regarding the role of the Hawaii Public Housing Authority (HPHA) in the housing continuum.

HPHA operates approximately 6,100 federal and state public housing units for low income families and seniors in Hawaii. It also administers the statewide Housing Choice Voucher (Section 8) Program, and the state Rent Supplement Program. HPHA's main sources of revenue are rent collections and the annual operating and capital grants through the U.S. Department of Housing and Urban Development, along with some supplemental appropriations from the state general fund.

Residents of federal public housing and Section 8 voucher recipients pay 30% of their counted income for rent, with federal subsidies making up the balance of the costs. Major repairs and renovations to federal public housing are paid for through an annual grant from the HUD Capital Fund Program.

State public housing residents pay a fixed rent based on the size of the unit. Under state law, the program must be self-sustaining; however, rents are not sufficient to fully cover long-term maintenance and periodic renovation of the properties, so additional state appropriations are necessary to keep the properties safe and habitable.

Until recently, HPHA also administered the Homeless Services Program (HMS 224) using general fund appropriations and federal grants. In order to better coordinate services, Act 89 of the 2010 Legislature transferred the homeless program, along with its staff and funding, to the Benefit, Employment and Support Services Division (BESSD) of the Department of Human Services (DHS). In anticipation of the passage of Act 89, the Housing First Pilot Program bill, H.B. 2318 SD2, HD1, CD1, provided in Sections 5 and 6 that DHS would receive the funding and operate the program when the transfer from HPHA to DHS goes into effect.

HPHA's rental properties are one important part of the housing continuum in Hawaii, but are too few to meet the demand for very low-income housing. One indicator of the unmet demand is

the waiting list for public housing, which is over 10,000 names long; it's also reasonable to assume that many more citizens who need low cost housing have not bothered to go on the waiting list, discouraged by the long waits. Priority for new admissions goes to families receiving homeless services, and to victims of domestic violence.

Because the supply of public housing is far exceeded by the need, additional housing for the very low-income is necessary in order to provide them a step out of homelessness. Creative public-private partnerships using direct public subsidies and tax credits are needed to create thousands of additional units of housing affordable to low- and very-low income families and individuals. Single room occupancy units (SROs) are a critical need in Hawaii in order to house non-elderly individuals who, because of disability and the other conditions that lead to chronic homelessness, have not become self-sufficient and cannot pay market rate rents in traditional housing.

The agenda for this Informational Briefing mentions "prosecution of public housing fraud." HPHA's approach is one of proactive prevention. Applicants for our programs are required to provide documentation of the factors of eligibility prior to being placed and at annual recertifications. Income is checked using the HUD EIV system against a variety of data bases, such as employer new hires, quarterly wage and unemployment information, and monthly social security (SS) and supplement security income (SSI) benefits, to ensure that rents are set at the correct level. When underpayment of rent is discovered, repayment is made through collection methods such as payment plans and tax intercept.

In conclusion, we all recognize that housing in Hawaii is not affordable to many of its residents and that more needs to be done to bridge the gap between the seemingly "un-real" cost of housing and the ability of real people to pay for it. Public housing plays a part in the solution by helping thousands of citizens to live in housing affordable to them, but cannot by itself come close to providing affordable housing in the numbers needed. Other options for affordable housing are needed if we as a State are going to alleviate this problem.

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WRITTEN COMMENTS
OF
RUSS K. SAITO, COMPTROLLER
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TO THE
HOUSE COMMITTEES
ON
HOUSING
AND
HUMAN SERVICES
ON
June 2, 2010

STATE HOMELESS PROGRAMS BRIEFING

Chair Cabanilla, Chair Mizuno, and members of the Committees, thank you for the opportunity to comment this matter.

A major change in the homeless population took place in 2006-2007, with an increase in unsheltered homeless families. The working poor were priced out of housing, as the economy soared and property values escalated along with rents. Many landlords sold their properties, reducing the supply of rentals and increasing the rent of units that remained available for rent.

The Governor's Emergency Proclamations were a response to the health and safety issues that were created with so many families living in public spaces without the infrastructure to support such a critical mass.

HEART Team

A multi-agency "Governor's Leadership Team", later renamed "Homeless Efforts Achieving Results Together" (HEART) team was formed to ensure the successful implementation of the various homeless projects for the Leeward Coast. The Governor's Emergency Proclamations authorized efforts to address the health and safety problems of the homeless, especially families, in an expedited manner and allowed the projects to move forward with as much speed as possible.

HEART Leeward Homeless Projects

- Onelau'ena (Kalaeloa)
- Pa'iolu Ka'iāulu (Wai'anae Civic Center)
- Kahikolu Ohana Hale 'O Wai'anae
- Kumuhonua (Building 36, Kalaeloa)
- Ulu Ke Kukui (Ma'ili, formerly VOA)

Other Projects

- Next Step
- Ka Uapo Bridging Facility, Kauai

The HEART team, besides providing direction, guidance, and coordination for projects on the Leeward Coast, spurred action in increasing shelter capacity throughout the State.

Increase in Shelter Capacity:

Since 2006, homeless shelter capacity has increased from 587 units and 525 beds to 1188 units, a doubling of units, and 785 beds, a 50% increase. The effect on the number of unsheltered individuals has been dramatic.

	2007 Count	2009 Count	2010 Count	Numerical Change 2009/2010	% Change
Statewide Unsheltered Homeless	3,358	2,514	2,299	-215	-8.6%
Statewide Sheltered	2,703	3,268	3,535	267	8.2%

Homeless					
	6,061	5,782	5,834	52	0.9%

There continues to be a need for additional shelters in certain areas but the focus should now be on having individuals transition through the existing shelter spaces and moving on to permanent housing and independent living. This puts the emphasis on the long term solution for homelessness, which is to make available more affordable housing. The question is how to do it.

- Build more affordable rental units
- Reduce rents /provide rental assistance
- “Boarding” (families, friends, boarding houses)
- Zoning/financing/partnering

Long Term Solution:

The State’s contribution towards the long term solution for homelessness includes two key State agencies, the Hawai‘i Housing Finance and Development Corporation and the Department of Human Services’ Homeless Programs Branch.

Hawai‘i Housing Finance and Development Corporation

Mission: To increase the supply of workforce and affordable housing by providing tools and resources to facilitate housing development

Hawai‘i Public Housing Authority Homeless Programs

Mission: Provide homeless and at-risk homeless families and individuals opportunities to stabilize their housing, health, employment and social issues to achieve long term stability and economic independence.

HHFDC Programs:

- From 2000-2009, HHFDC helped develop or preserve of nearly 2,900 rental units statewide
- Five-year goal is 5,000 new or preserved for-sale and rental housing units using major tools
 - Financing
 - Land

- Help with approvals
- Against the goal, 2,000 rental units are in the pipeline

HPHA Homeless Programs:

- Since 2006, homeless shelter capacity has increased
 - from 587 to 1188 units (doubled)
 - from 525 to 785 beds (50% increase)
- Over 3500 homeless persons were helped into permanent housing in 2009
- Continuation of assistance is necessary
 - Shelter services
 - Outreach services
 - Grant programs
 - Rental assistance and special needs programs

Ongoing plan to address Homelessness:

Objective: Continue/enhance the State's efforts to help the homeless

Strategy: Create Synergy between the HHFDC and HPHA Homeless Programs Branch. Extend to private sector landlords.

HHFDC Plan:

- Continue efforts at development with renewed emphasis on building affordable rentals
- Take advantage of financing opportunities in homeless programs
 - HUD rent subsidies

HPHA/ Homeless Programs Plan:

- Ensure ongoing support of shelters and outreach
- Pursue federal funding for subsidies and special needs programs
- Seek increases in funding to implement homeless reduction initiatives
 - Optimize CDBG funding for affordable housing
 - Secure increased funding and distribution of Section 8 vouchers
 - For people who only need rent subsidies, including people who have completed transitional housing programs and are ready to move on
 - Secure increased funding and distribution for Preventive and Rapid Re-housing program
 - For people who are at risk or who have just become homeless due to job loss or increased rent/displacement
 - Secure increased funding and distribution for Shelter Plus Care program
 - For people who are homeless and who need case management and special care, including substance abuse and mental health
 - HUD subsidy for rent, State or other/Fed match for services

Rent Subsidy Programs

- Maintain/pursue increase in state and Federal individual rent subsidy programs

COFA Plan:

- Initiate discussion with Feds on impact that COFA in-migrants have on homeless programs
 - COFA in-migrants in shelters are increasing; shelters are stepping stone to public housing
 - COFA in-migrants tend to remain in public housing once there
 - Desired outcome is to increase Federal funding to address resources needed to serve COFA in-migrants

Opportunity presented by Housing First Approach:

The homeless demographic is now swinging back to pre 2006 profiles with more singles and couples and fewer families in unsheltered situations. The unsheltered singles and couples often have mental health, drug abuse, and other disability issues that increase the risk of becoming homeless and make them less likely to access a shelter.

Housing first programs have been found to work well for the chronically homeless. The programs include rent subsidies, case management and various services. Housing first programs require agencies and service providers to work with participants over the long haul in engaging support services that address their mental health, addictions, medical, and financial assistance needs that ultimately help them progress towards self sufficiency.

These programs may be developed in conjunction with dedicated construction projects, but can be implemented perhaps even more effectively with state, county, or private affordable and workforce housing units. The keys are to have affordable housing available, and to have landlords willing to participate in the program.

If funding can be made available, the housing first approach promises to take the chronically homeless off the streets and out of the parks, into a program of rehabilitation. The housing first program may also offer relief for the “recently homeless” whose ranks have swelled in the recent economic downturn.

Thank you for the opportunity to submit comments on this matter.

The Institute for Human Services

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- ❖ Homeless prevention
 - Looks at the vulnerable points in our community service systems where people are likely to fall into homelessness (discharge from hospitals, public safety, court)
 - Tries to mitigate evictions and facilitate transitions into new housing placement (TANF, HPRP programs)
- ❖ Comprehensive targeted services that advocate for continuity of care
 - Focus should be on good assessment and triage
 - Subpopulations need to be identified with specific pathways that can be followed for best outcomes
 - mentally ill: triage and outpatient commitments,
 - substance abuse : renew the commitment law for those who need to be hospitalized for treatment
 - forensic populations – including sex offenders,
 - families with children – specialized services that take into domestic violence needs, stabilizing children’s school attendance and performance.
 - Identify potential funding sources for specific services (mental health, substance abuse, re-entry, trauma)
 - Establishing common standards for service providers/case managers
- ❖ Establish common standards among shelters and homeless service providers
 - Policies on non-resident transplants (must pay from the first day unless they were a tourist with round trip ticket) otherwise, must work in the shelter or be given some community service work.
 - Work on return with the least cost to Hawaii’s taxpayers
 - Involve consulates of those countries that have homeless persons stranded in Hawaii.
 - Official stance on feeding people in the parks/campaigns to encourage people to stop that or only do it in conjunction with offering services.
- ❖ Standards in tracking and reporting outcomes
 - Mobile Outreach : track length of homelessness and special needs
 - Emergency Shelters
 - Transitional Shelter
 - HMIS :
 - Need to find ways to share information without violating rights to confidentiality , entire homeless services system needs to be seen as one entity and allowed to share information for continuity of services.
 - Data entry needs to get more consistent across agencies
- ❖ Need to Fund Homeless Programs Office so that there is more administrative support given the significance of the Homeless problem in Hawaii.
- ❖ Become familiar with HHFDC’s plan for affordable housing development in Hawaii and advocate for more workforce housing. Consider that a percentage of housing that two persons working minimum wage jobs can afford to live in something modest based on what that percentage has been determined to be by State statistics. (Center on the Family “Quality of Life in Hawaii” report)