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WRITTEN COMMENTS
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEES
ON
HUMAN SERVICES
AND
HOUSING
ON
July 15, 2010

HOUSING FIRST BRIEFING

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

Let me start by providing some information on the State's efforts to address homelessness. 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 Homeless	2,703	3,268	3,535	267	8.2%
	6,061	5,782	5,834	52	0.9%

With this capacity and through its homeless programs, the State's outreach providers served 11,680 unsheltered homeless individuals and shelter operators accommodated 9,483 individuals in shelters in 2009. Better yet, the program helped 4043 individuals into permanent housing in 2009. 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 State's contribution towards the long term solution for homelessness directly involves three key State agencies.

The Department of Human Services Homeless Programs Branch 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. Among its responsibilities the Homeless Programs Branch manages \$13.4 million for its Stipend Program (shelters), \$2.4 million on its Outreach Program, \$2.4 million on its Housing Placement Program, \$2.1 million on its Homelessness Prevention and Rapid Re-housing Program, and \$1.2 million on its Shelter Plus Care Program.

The Hawai'i Public Housing Authority operates 6100 federal and state public housing units for low income families and seniors, manages the Section 8 federal rent subsidy program, and the state Rent Supplement program.

The Hawai'i Housing Finance & Development Corporation has increased the supply of workforce and affordable housing by developing or preserving 2,900 rental units from 2000 to 2009. It also has a five year goal of 5000 new or preserved units for sale or rent, and currently has 2000 rental units in the pipeline.

The State's homeless population is also served by three departments that provide service to the population at large, including the homeless. These departments are the Department of Human Services, the Department of Health, and the Department of Labor and Industrial Relations. Food stamps, Medicaid, welfare, health, mental health, and substance abuse care, unemployment compensation, and job training are services the homeless benefit from.

A look at the homeless statistics shows us where the needs are:

2010 Homeless Individuals By Island			
Island	Unsheltered	Sheltered	Total
O'ahu	1374	2797	4171
Maui	399	392	791
Kaua'i	213	60	273
Hawai'i	313	286	599
Total	2299	3535	5834

A look at O'ahu's unsheltered population shows where efforts need to be focused:

Area	Unsheltered Individuals
Downtown Honolulu	394
East Honolulu	307
'Ewa	76
Kane'ohe to Waimanalo	77
Wahiawā to North Shore	96
Upper Windward	14
Wai'anae Coast	410
Total	1374

Opportunity presented by Housing First Approach:

The homeless demographic now features 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. Thus, for a successful Housing First Program the State needs to do the following:

1. Identify and secure sustainable funding source for rent subsidies
2. Develop/identify services for the Housing First tenants
3. Estimate the size and cost of an ongoing Housing First Program
4. Fund the Housing First Special Fund

Funding and services should be developed in partnership with non-profit organizations, service providers, State, and County agencies. Many existing services can be adapted for the Housing First program. The Shelter Plus Care program is an example. To develop or assemble the total suite of services for the program, a task force of non-profit organizations, service providers, State and County agencies may be worthwhile to consider.

The Housing First Program can be implemented with dedicated construction projects, but can also be implemented with units set aside from state, county, or privately developed affordable and workforce housing units. There must be affordable housing available, and

landlords willing to participate in the program. Thus, another key ingredient of a successful Housing First program is the securing of agreements/contracts with landlords to make units available for the Housing First program.

The Housing First program should not be started until and unless the requirements for sustained funding are assured. The notion of a pilot should be carefully considered. Starting a Housing First program and then stopping it after the pilot is over will create problems. If funding is made available on an ongoing basis, 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 has great promise if properly implemented. Attached is a write-up on the Housing First approach based on the original developer.

One caution is that the Housing First approach addresses a segment of the homeless population but is not a total solution. Other programs need to be pursued to reduce the homeless problem to its practical limit. Of necessity, these programs will likely require private/public/non-profit partnerships. The traditional Ohana approach will be key.

Thank you for the opportunity to comment on this matter.

Attachment A

Housing First Approach from Pathways- the New York based nonprofit that developed the Housing First model

A housing first approach rests on two central premises:

- Re-housing should be the central goal of working with people experiencing homelessness, and
- By providing housing assistance and follow-up case management services after a family or individual is housed, we can significantly reduce the time people spend in homelessness.

A housing first approach consists of three components:

- **Crisis intervention, emergency services, screening and needs assessment:** Individuals and families who have become homeless have immediate, crisis needs that need to be accommodated, including the provision of emergency shelter. There should be an early screening of the challenges and resources that will affect a re-housing plan.
- **Permanent housing services:** The provision of services to help individuals and families' access and sustain housing includes working with the client to identify affordable units, access housing subsidies, and negotiate leases. Clients may require assistance to overcome barriers, such as poor tenant history, credit history and discrimination based on ethnicity, gender, family make-up and income source. Providers may need to develop a roster of landlords willing to work with the program and engage in strategies to reduce disincentives to participate.
- **Case management services:** The provision of case management occurs after housing is obtained:
 - to ensure individuals and families have a source of income through employment and/or public benefits, and to identify service needs *before the move into permanent housing*; and
 - to work with families *after the move into permanent housing* to help solve problems that may arise that threaten the clients' tenancy including difficulties sustaining housing or interacting with the landlord and to connect families with community-based services to meet long term support/service needs.

There are some due diligence considerations for a community when looking to implement a Housing First Program. The following is an example of one community's process in developing a strategy for a Housing First Program. This is from the Shelter Network in San Mateo County.

1. Educate your staff and community on the principles of Housing First.

Housing First, housing is not used as leverage to ensure treatment compliance, but is considered an important individual right. Once individuals are housed, everything possible is done to help people maintain their housing.

2. Recognize that living in an apartment requires a completely different skill set from living on the streets.

Some problems that new Housing First programs face can be avoided by recognizing the different skill sets that are required to live in housing and on the streets. Staff needs to recognize that behaviors such as doubling up or hoarding are survival skills. Staff should try to think about and address the underlying issues, not just the behavior.

3. Collaborate with neighboring agencies.

Relationships with local providers allow programs to provide services that their organization may not provide. For example, programs may work with a mental health provider who can give clients a discounted rate, or with a food pantry to help keep residents' kitchens stocked.

4. Blend funding sources.

Continued funding is often a barrier for continued program delivery. Most programs need to rely on multiple sources of funds. The development of a Housing First approach to homelessness requires the coordination of multiple and varied funding sources because it involves the integration of affordable housing and supportive services. There are three types of costs associated with permanent supportive housing:

1. Development capital – provides the actual permanent housing
2. Operating subsidies – allows for the continued operation of the housing and maintenance; and
3. Supportive services

Many supportive housing projects carry debt, while others raise enough funds to cover the complete costs of acquisition and rehabilitation up front.

5. If your program does not own the housing units, build strong relationships with landlords and potential landlords.

Whether your housing program uses Single Room Occupancy units, or scattered site housing, developing relationships with housing management and landlords is critical to the sustainability of your program. Sometimes it is difficult to find landlords who are willing to work with a program, but once they see that staff can serve as intermediaries if problems arise, landlords often see a mutual benefit.

Can this work on Oahu?

An essential consideration for those adopting a housing first model is responding to the concerns of landlords. In many communities, it is very difficult to locate housing affordable to very low-income individuals and families.

Housing first providers rely on extraordinary efforts to attract and maintain a roster of landlords willing to accept their clients -- particularly those with more "challenging" appearance, mannerisms, and rental histories. Because housing first providers are so dependent upon their reputation among landlords to build a pool of housing opportunities for their clients, they must have some confidence in the clients' capacity to be good tenants.

Where are the units going to come from? People need to be housed first and the consumer is given a choice to participate in services or not. It's not a requirement.

What private landlord is going to waive their requirements, e.g., credit checks, criminal background checks to offer units to this difficult to serve population?

Possible Funding Sources for Housing First

	Development Capital	Operating Subsidies	Supportive Services
Description	Capital costs of acquisition, development and rehabilitation of units.	Bridges the gap between operating costs and rent. Usually a direct housing subsidy to the tenant or housing unit.	On-site and community based services, including physical health, mental health, chemical dependency treatment, employment and training, adult education, community building, budgeting, and recreational and leisure activities.
Examples of Funding Sources	<ul style="list-style-type: none"> • Continuum of Care Funds • Low Income Housing Tax Credits • State and local bonds • Housing Trust Fund • Community Development Block Grant • Other local programs • Private Lenders • Private Contributions • HOME funds 	<ul style="list-style-type: none"> • Continuum of Care Funds • Supportive Housing Program • Shelter Plus Care • Supplemental Security Income • Other local programs • Private contributions 	<ul style="list-style-type: none"> • Continuum of Care • Housing Trust Fund • Medicaid Reimbursement • Supportive Housing Program • Community Development Block Grant • Other local programs • United Way • Foundations • Private Contributions

Ongoing funding for a Housing First program is a collaborative effort with communities creating committed public-private partnerships. This requires all potential funders and service providers to commit to funding streams to this program. This will require HUD, the State, City and County of Honolulu, HHFDC, and non-profits to devise a program that works for Oahu, as all these entities have a stake in eliminating homeless.

RE: test Re Homeless People

David Nickle

Sent: Wednesday, July 14, 2010 1:42 PM**To:** Cynthia Nyross [nyross@capitol.hawaii.gov]

Dear Representative Brower:

Re: Homeless people

Sand Island would be a good safe place to temporarily shelter the homeless. It's large, it has bathrooms, need fixing,

& there is a swimming beach there. All homeless people want to be on the beach. Set up a tent city & move all homeless from Waikiki

& other places to Sand Island. It is state land so permission is needed. Military would probably help.

How to get them there? How about school busses from Roberts. I'll bet they would help. Who has a bigger stake in tourism than Roberts!!!

How about Charlie's taxi for small groups or families? I'll bet they would be glad to help. The people from Nimitz could walk there.

Food? Here is a health issue. But if it could be worked out where Restaurants could donate left overs. Let's face it, they're eating

out of garbage cans anyway. Sure there are lots of logistics here, but we can do it if we all work together.

We do need to get these folks out of Waikiki! SAND ISLAND IS THE ANSWER.

Aloha, David Nickle

Honolulu Res. 44 years

From: Cynthia Nyross [nyross@capitol.hawaii.gov]**Sent:** Wednesday, July 14, 2010 12:58 PM**To:** 'david.nickle@eastoahu.com'**Subject:** test

Aloha,

Here is my contact info.

Mahalo,

Cynthia Nyross

Office Manager

State Representative Tom Brower

District 23: Waikiki, Ala Moana, Kakaako

Office: 586-8520 - Fax: 586-8524

State Capitol, Room 315 - Honolulu, Hawaii 96813

Representative Brower's email: repbrower@capitol.hawaii.gov

Please consider the environment before printing this message

For Public Release (7.13.10)

Contact: State Rep. Tom Brower (WAIKIKI) 398-5653

The 'Homeless Safe Zone' concept and House Resolution 62

The “homeless safe zones” concept is a proactive approach with a high probability of success to address the growing issue of homelessness in public parks and sidewalks, which present very real public safety and health concerns.

An increasingly visible presence of homelessness in major tourist areas (like Waikiki) not only leads to a negative response from visitors, but may also give the impression that government is not doing enough to care for its poor.

Laws against camping in public spaces and the lack of affordable housing have left many homeless individuals and families with few options and no place to go. Realistically, there will never be enough shelter space constructed to address the needs of the entire homeless population (estimated over four thousand); however, if nothing is done, this will only continue or get worse.

The only reasonable approach to remove homeless from where they should not be is for government to provide space where they may camp. This solution will benefit everyone involved by providing camping space for homeless individuals and families in a way that will address everyone's safety and health concerns.

It is important to note that by providing this space, we will also be providing law enforcement with the means to remove homeless from camping in unauthorized public spaces (like parks and sidewalks) and encourage them to be in authorized camping spaces.

The House of Representatives has already demonstrated its support for homeless safe zones by adopting H.R. No. 62, H.D. 1, 2010.

Homeless Safe Zones will be a work-in-progress and adjustments can be made, as needed.

ADDITIONAL INFORMATION:

House Resolution 62 “Homeless Safe Zones”

This past session, I was able to help get the discussion going about Homeless safe zones as a *cost-effective, compassionate alternative* to homelessness.

I represent Waikiki and Kakaako, which has seen increases in its homeless population in recent years. The underlying reasons for homelessness are complex and varied— they may be societal or personal, and may worsen the plight of the homeless by causing the loss or destruction of essential personal property.

Solutions to Homelessness have been unsuccessful



Efforts at the city council to regulate homeless individuals off of our beach parks, sidewalks and bus stop benches were hard to enforce and met with disapproval from organizations standing up for homeless rights. The homeless have been periodically removed from these areas to allow the public access and use of these areas and to reduce the perceived threat of criminal activity in these areas.

The Legislature is striving to address long-term solutions to homelessness, including repairing or building hundreds of public housing units, housing subsidies and services, employment and job training programs, ways of combating substance abuse, and food distribution programs. While long-term solutions are vital, they do not respond to the immediate problems faced by homeless people who are constantly under the threat of removal from their current location.

The origins of the Safe Zones idea

Residents have approached me expressing concerns about public health and safety. In response, I have worked with homeless advocates on a resolution that would encourage the Hawaii Public Housing Authority to contract with provider agencies to establish homeless safe zones or "designated areas" for the homeless to stay at night in a reasonably safe and supervised setting with their tents— off our beach parks, sidewalks, and businesses.

Homeless individuals need a place to sleep at night. Despite vacancies in our shelters, they are illegally camping on public and private property. Their scattered locations make it difficult for homeless service providers to get to them.

Why Safe Zones is a feasible idea

Homeless safe zones would designate land for homeless individuals to stay at night with their tents in a reasonably safe and supervised setting.

There may be private organizations that are ready and willing to provide this type of service to the homeless – some that are even willing to provide this service on their own property.

Another option for acquiring property for the Safe Zones is to use grant or other funds to rent the property or lease or contract with the Department of Land and Natural Resources (DLNR) to use available public lands.

We currently envision an open land space with a few amenities. Homeless safe zones established by the provider agency would, at a minimum, provide basic sanitary facilities (such as porta-potties) and a place for the homeless to sleep, but may or may not offer the protection of a security guard.

As the process moves on, the homeless safe zone could be modified as needed.

Read the Resolution: http://www.capitol.hawaii.gov/session2010/Bills/HR62_.HTM

To email me: repbrower@capitol.hawaii.gov