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STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES

P. O. Box 339 Honolulu, Hawaii 96809-0339

February 25, 2011

MEMORANDUM

TO:

The Honorable David Y. Ige, Chair

Senate Committee on Ways and Means

FROM:

Patricia McManaman, Interim Director

SUBJECT:

S.B. 904, S.D. 1 – RELATING TO THE HOMELESS

Hearing:

Friday, February 25, 2011; 9:00 a.m. Conference Room 211, State Capitol

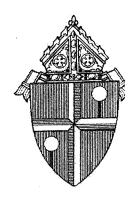
PURPOSE: The purpose of S.B. 904, S.D. 1, is to require the Department of Human Services (DHS) to identify suitable properties for a housing first program that identifies affordable rental housing projects, including an initial housing first single resident occupancy affordable rental housing model project site in an urban core. This bill also requires DHS to report to the Legislature and the Governor.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of this bill. The Department of Human Services, however, does not currently have the staffing or the expertise to identify suitable properties for the proposed program.

Thank you for the opportunity to provide comments on this bill.

ROMAN CATHOLIC CHURCH IN THE STATE OF HAWAII

St. Stephen's Diocesan Center of the Roman Catholic Diocese of Honolulu 6301 Pali Highway, Kaneohe, HI 96744 • Phone: (808) 203-6718



Testimony of Kent Anderson February 25, 2011, 9:00am; Conference Room 211 Support for SB 904, SD1

Good Afternoon Committee Chair David Ige, Vice-Chair Michelle Kidani, and members of the Committee on Ways and Means. Thank you for the opportunity to testify on behalf of **SB 904, SD1**.

My name is Kent Anderson, and I am here on behalf of the Diocese of Honolulu. I serve as the newly appointed Housing Development Director for the Office of Affordable Housing for the Diocese. We are your partners and among your strongest supporters in providing supportive services and permanent housing opportunities for those at the lowest levels of income who are either homeless or dangerously close to becoming homeless. We have and will continue to be your partners because we know that the government cannot and should not be the sole caretaker for our whole community.

Homelessness will impact over 15,000 of our neighbors this year statewide. Many of the victims will be keiki and kupuna. Many working families are unable to make ends meet since we experience the highest housing costs in the country. According to HUD statistics, fair market rent for a two-bedroom apartment is \$1,610. In order to afford this level of rent without paying more than 30% of income on housing, an employee must earn \$30.96/hr. Unfortunately, the average renter only earns \$12.89/hr in Hawaii. At this wage, two full time jobs are not sufficient to sustainably support a family. For minimum wage earners, the outlook is heartbreaking. A minimum wage earner would need to work 171 hours/week to support a family of four without any time off for sickness or vacation. An individual who could achieve this workload would be miraculous, especially since there are only 168 hours in a week.

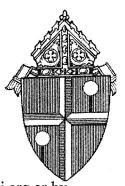
We understand that times are tough right now; therefore, we must step forward to assist those most in need. Affordable housing is a basic need for our entire Ohana. It helps provide the basis of a healthy workforce, healthy children, healthy kupuna, and healthy economy. We ask that you prioritize your legislation to ensure that homeless services and affordable housing are priorities during this legislative session. We appreciate and highly applaud your past efforts and look forward to partnering with you to provide a home for each member of our Ohana.

SB904 will make a positive impact in reducing homelessness. Housing First has been proven to effectively house chronically homeless individuals- the most difficult and costly subpopulation to serve. Partners in Care, government representatives and community stakeholders recently compared the public costs for an unsheltered homeless person vs. a resident in Supportive Housing, such as in a Housing First model. They found that the average public cost for an unsheltered homeless person is \$2,897 per month vs. the average public cost for a resident in supportive housing is \$605 per month. Public costs can be decreased by 79% by providing supportive housing with services. Please support SB904 and help us create a stronger community. We urge your support for this essential bill.

Please note that we also support merging this bill with SB912 as recommended by some of our social service partners. We defer to the Committee's wisdom in this matter.

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Thank you again for this opportunity to testify. Please contact me at <u>kentanderson@rcchawaii.org</u> or by phone at 808-203-6718 if the Office of Affordable Housing may be of assistance.