TO:

The Honorable Rida Cabanilla, Chair The Honorable Pono Chong, Vice Chair And Members of the Housing Committee

DATE:

February 9, 2011 Rm. 325, 8:30 am

Re:

HB 754 RELATING TO PUBLIC HOUSING

POSITION:

Strong Support

Aloha Chair Cabanilla, Vice Chair Chong and Members of the committee,

I am a resident of Hawaii public housing. I am aware that many deserving families have been on the public housing waiting list for many years. Also I am also aware of the open door of "special preference" in which people are immediately housed. I don't think it is right for special treatment, being put ahead of other people in line.

The property where I live has fallen into disrepair. This negatively affects the morale of tenants. Also vacant units have been vandalized and have gangs squatting in them. Requiring tenants to pay a minimum rent will help bring in needed revenue to repair these units.

Requiring all tenants to pay a minimum rent will help instill a sense of ownership in our community.

I encourage you to pass HB 1303

Thank you for the opportunity to testify.

Fetu Kolio, (Mayor Wright Homes)

(Tenant Association President)

NEIL ABERCROMBIE



DENISE M. WISE EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF HUMAN SERVICES HAWAII PUBLIC HOUSING AUTHORITY 1002 NORTH SCHOOL STREET Honolulu, Hawaii 96817

BARBARA E. ARASHIRO EXECUTIVE ASSISTANT

Statement of
Denise M. Wise
Hawaii Public Housing Authority
Before the

HOUSE COMMITTEE ON HOUSING

February 9, 2011 8:30 A.M. Room 325, Hawaii State Capitol

In consideration of H.B. 754 RELATING TO PUBLIC HOUSING

Madam Chair and Members of the House Committee on Housing, thank you for the opportunity to provide you with comments regarding House Bill 754, relating to public housing.

The Hawaii Public Housing Authority (HPHA) appreciates the intent of this measure; however, we <u>oppose</u> enactment of the measure since it proposes changes to Section 356D, Hawaii Revised Statutes, which would be duplicative of existing HPHA policy and would be more appropriately handled by the HPHA via existing administrative protocols.

As testified earlier with regard to House Bill 1303, the HPHA already requires tenants to reimburse for damages caused to their individual units and community facilities. The HPHA collected over \$170,000 from tenants during Fiscal Year 2009/2010, and as of December 31, 2010, the HPHA collected over \$125,000 for tenant-caused damages for the first half of Fiscal Year 2010/2011. As such, enactment of this measure is not necessary to allow the HPHA to continue this policy.

Further, as was also testified earlier, the agency currently possesses the capacity to set a minimum rent schedule for state housing developments. The HPHA feels that the determination of a policy setting minimum rents is one that is soundly within the Board's purview and would respectfully request the Legislature to allow the Board to exercise its governance in the development of such policies. The HPHA would prefer the development of such policy to be undertaken through an agency developed methodology that would allow us to incorporate participation from the our Resident Advisory Board, property management staff, public hearings, and the tenants that would be directly impacted by this measure.

The agency would note similar concerns with this bill as were raised with respect to House Bill 1303. There is currently no need to set a minimum rent for the State's

elderly housing developments, yet this legislation would not distinguish between elderly and family public housing. Also, there is an inherent danger posed by setting a minimum rent that would be annually adjusted in relation to an indicator such as the Consumer Price Index. Those who live on fixed incomes provided by social security and supplemental security income (SSI) would not experience increases in payments based on such indices, and would thus be unable to afford the minimum rents based thereon. In reference to the table presented in our testimony regarding House Bill 1303, many of our tenants would be hard pressed to afford even the minimum rent set by this bill of \$250.

The HPHA appreciates the opportunity to provide the House Committee on Housing with the agency's position opposing H.B. 754. We respectfully request the Committee to hold this measure.



CATHOLIC CHARITIES HAWAI'I

TESTIMONY- OPPOSE/COMMENTS - HB 754: RELATING TO PUBLIC HOUSING

TO:

Representative Rida Cabanilla, Chair, Representative Pono Chong,

Vice Chair, and Members, House Committee on Housing

FROM:

Betty Lou Larson, Legislative Liaison, Catholic Charities Hawai'i

HEARING:

Wednesday, February 9, 2011; 8:30 am; CR 325

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

Thank you for the opportunity to provide testimony on this housing bill. I am Betty Lou Larson, Legislative Liaison for housing issues, at Catholic Charities Hawai'i. We are also members of Partners in Care. Catholic Charities Hawai'<u>i</u> OPPOSES the section of this bill which would prohibit the establishment of preferences for the selection of tenants. However, we SUPPORT the section that would establish a minimum rent.

RE: Preferences: Currently the Hawaii Public Housing Authority (HPHA)'s rules provide for a preference for homeless individuals and families who are working with a homeless shelter, transitional housing program, or outreach and following their service plan to get their lives back on track. Without this preference, the families would have very few options for affordable housing and many, if not most, would remain homeless. The families cannot afford the market rents for a 1-2 bedroom unit, even though many are working. The main objective of the State is to resolve homelessness by helping homeless families to gain jobs, housing, and the skills they need to remain in housing. Without affordable housing, this objective cannot be met. While some families may obtain better jobs and find a market unit, most of the families who work need rents well under \$1000/month. Preferences remain critical until an overall strategy is in place for how these homeless families will transition to permanent housing without utilizing public housing.

RE: Minimum Rents: 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 urge the legislature and the Hawaii Public Housing Authority to phase in any rent increases and provide flexibility in the implementation with existing tenants so as not to drive these tenants into homelessness.

We urge you not to change the tenant selection rules. HPHA's preference for homeless is critical to maintain, until other strategies are in place to permanently house these families, elderly and disabled.









Committee:

Committee on Housing

Hearing Date/Time:

Wednesday, February 9, 2011, 8:30 a.m.

Place:

Room 325

Re:

Testimony of the ACLU of Hawaii in Opposition to H.B. 754

Dear Chair Cabanilla and Members of the Committee on Housing:

The American Civil Liberties Union of Hawaii ("ACLU of Hawaii") writes in opposition to H.B. 754, which seeks to require the Hawaii Public Housing Authority ("HPHA") to establish minimum rent for state public housing units and annual adjustment of minimum rent based upon the national average wage index. H.B. 754 also seeks to require HPHA to seek the full cost of repair damage to a unit.

This bill severely and unnecessarily burdens and punishes poor families. In this time of high and rising unemployment, we should not be considering ways to raise public housing tenants' rent. The current rent structure appropriately balances the goals of the public housing authority with the needs of public housing tenants and should be maintained. Hawaii would be better served by enforcing the current rules and providing support to individuals and families seeking to transition out of public housing units.

The mission of the ACLU of Hawaii is to protect the fundamental freedoms enshrined in the U.S. and State Constitutions. The ACLU of Hawaii fulfills this through legislative, litigation, and public education programs statewide. The ACLU of Hawaii is a non-partisan and private non-profit organization that provides its services at no cost to the public and does not accept government funds. The ACLU of Hawaii has been serving Hawaii for over 40 years.

Thank you for this opportunity to testify.

Sincerely,

Laurie A. Temple Staff Attorney ACLU of Hawaii

> American Civil Liberties Union of Hawai'i P.O. Box 3410 Honolulu, Hawai'i 96801 T: 808.522-5900 F: 808.522-5909 E: office@acluhawaii.org www.acluhawaii.org