



CATHOLIC CHARITIES HAWAII

COMMENTS IN SUPPORT OF SB 91, SD1: RELATING TO HOUSING

TO: Senator David Y. Ige, Chair, Senator Michelle N. Kidani, Vice Chair, and Members, Committee on Ways and Means

FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii

Hearing: Friday, 2/22/13; 9:00 am; CR 211

Chair Ige, Vice Chair Kidani, and Members, Committee on Ways and Means:

Thank you for the opportunity to comment on SB 91, SD1, which appropriates funds for a state rent supplement program, for homeless working families or individuals who are ready to rent permanent housing in order to obtain and maintain permanent housing. I am Betty Lou Larson, Legislative Liaison for Catholic Charities Hawaii.

Catholic Charities Hawaii strongly supports this bill. We suggest **one amendment on page 1, line 7:** (Funding) would be for the rent supplement program for homeless...to obtain and maintain permanent housing and administrative costs to operate the program. This would clarify that the allocation includes operating costs.

This bill is important in order to create new pathways out of homelessness, especially for working people. Working families and individuals have income to pay rent but it is not sufficient to pay the full market rent. For many homeless people, waiting for public housing seems to be the only option, since it would provide a very low cost rent, only 30% of their income. However, waitlists for this housing are very long. With a little help from a shallow subsidy, working families may be able to more quickly move out of homelessness.

In transitional shelters, homeless families and individuals work hard to change their lives, practice good budgeting, get a job and are ready to pay rent—but they still cannot afford market rents. They participate in job preparation and training at their shelter and/or in community workforce development programs. These programs boost their ability to hold a job and pay rent. A shallow rental subsidy of no more than \$300, after the family pays 40% of their income for rent, would enable these working people to more rapidly move into permanent housing.

We urge your support for funding of **\$1.5 Million for shallow rent subsidies to provide a new and critical option to more rapidly move working families into permanent housing.** This shallow rent subsidy (maximum of \$300/month) would enable 400-500 working homeless families or individuals to move onto permanent housing.

We urge your support for SB 91 to enhance multiple strategies to end homelessness in our State.



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Testimony of Hawai'i Appleseed Center for Law and Economic Justice
 Supporting SB 91 Relating to Housing
 Senate Committee on Ways and Means
 Scheduled for Decision Making Friday, February 22, 2013, 9 AM, Room 211

Thank you for an opportunity to testify in strong favor of Senate Bill 91, which would appropriate funds for the state rent supplement program. This program helps working homeless individuals or families who are ready to rent to obtain and maintain permanent housing.

Hawai'i Appleseed Center for Law and Economic Justice is a nonprofit, 501(c)(3) law firm created to advocate on behalf of low income individuals and families in Hawai'i on civil legal issues of statewide importance. Our core mission is to help our clients gain access to the resources, services, and fair treatment that they need to realize their opportunities for self-achievement and economic security.

One of the root causes of homelessness is the simple fact that many families and individuals end up as long-term residents of shelters because they are unable to afford market rents. According to the Low Income Housing Coalition, the fair market rent for a two-bedroom apartment in our state is \$1,647, a figure that would require a full-time worker to earn an hourly wage of \$31.68. Yet the state minimum wage is just \$7.25. A shallow rent subsidy is critical to addressing this shortfall. More than seventy-five percent of people living in poverty are severely overburdened by housing costs, ultimately paying more than half of their income in rent. For those experiencing homelessness, this burden is astronomical when coupled with the extremely high cost of living in Hawai'i. Meanwhile, low-income individuals have almost nowhere to turn: the waitlist for public housing numbers over nine thousand, with applicants waiting at least two to five years for a unit.

A rent supplement is an appropriate solution for individuals and families who are fully capable of renting, but for their low income relative to the high cost of housing. Almost thirty percent of individuals receiving shelter services are employed full or part-time according to the 2012 Homeless Service Utilization Report. Recipients of the rent supplement will be educated in financial literacy and other life skills, or participating in on-the-job training programs that would assure they could successfully pay a minimum of forty percent of their income for rent.

In its position as an advocate for people experiencing homelessness, LEJ has researched affordable housing and how they can be used to address the homelessness crisis here in Hawai'i. The fundamental solution to this crisis is the creation of more affordable housing, but currently, we are developing just a fraction of the units needed to house low-income individuals. As we progress in the expansion of our affordable housing stock, rent supplements are a key measure to ensure that families who are ready to rent can immediately begin the transition out of homelessness and create a better future. Safe, secure, and stable housing is the fundamental solution to ending homelessness, and for many people experiencing homelessness, a shallow rent subsidy provides serious assistance in obtaining the housing they desperately need.



PARTNERS IN CARE

Oahu's Coalition of Homeless Providers

COMMENTS IN SUPPORT OF SB 91, SD1: RELATING TO HOUSING

TO: Senator David Y. Ige, Chair, Senator Michelle N. Kidani, Vice Chair, and Members, Committee on Ways and Means

FROM: Gladys Peraro, Advocacy Committee Co-Chair, Partners In Care (PIC)

Hearing: Friday, 2/22/13; 9:00 am; CR 211

Chair Ige, Vice Chair Kidani, and Members, Committee on Ways and Means:

Thank you on behalf of Partners In Care (PIC), for the opportunity to provide comment on SB 91, SD1, which appropriates funds for a state rent supplement program for homeless working families or individuals who are ready to rent permanent housing in order to obtain and maintain permanent housing. I am Gladys L. Peraro, Advocacy Committee Co-Chair for Partners In Care, the coalition care providers focused on the needs of homeless persons and strategies to end homelessness.

Partners In Care strongly supports this bill with **one suggested amendment on page 1, line 7:** (Funding) would be for the rent supplement program for homeless...to obtain and maintain permanent housing and administrative costs to operate the program. This would clarify that the allocation includes operating costs.

This important measure will create new avenues out of homelessness, especially crucial for working individuals and families with children who have income to pay rent but it not sufficient enough to pay the full market rent. For many homeless people, waiting for public housing seems to be the only option, since it would provide a very low cost rent, only 30% of their income, however, waitlists for this housing are very long. With a little help from a shallow subsidy, working families may be able to more quickly move out of homelessness and into homes.

In transitional shelters, homeless families and individuals work hard to change their lives, practice good budgeting, learn financial literacy skills, obtain employment, and prioritize paying rent—but they still cannot afford market rents. They participate in job preparation and training at their respective shelters and/or in community workforce development programs. While these programs boost their ability to hold a job and pay rent, a shallow rental subsidy of no more than \$300, after the family pays 40% of their income for rent, would enable these working people to more rapidly move into permanent housing opportunities.

Partners In Care respectfully urges your support in funding **\$1.5 Million for shallow rent subsidies** to provide a **new and critical option to more rapidly move working families into permanent housing.** This shallow rent subsidy (maximum of \$300/month) would enable 400-500 working homeless families or individuals to move onto permanent housing.

Sincere mahalos for your support for SB 91, SD1, enhancing multiple strategies to ending homelessness in our State.

Partners In Care, c/o Aloha United Way, 200 N. Vineyard Blvd. Suite 700
Honolulu, Hawaii 96817

Partners in Care is a membership organization of homeless service providers, other service professionals, units of local and state government, homeless consumers, and other community representatives located in Hawai'i on O'ahu. It is a planning, coordinating, and advocacy body that develops recommendations for programs and services to fill gaps in the Continuum of Care on O'ahu.

**Re: Testimony in Support of SB91 SD1
Relating to Housing**

Date: February 19, 2013

To: Senator Suzanne Chun Oakland, Chair
Senator Josh Green, M.D., Vice Chair
Members, Committee on Human Services

From: Nicole Tsuchiya, MSW Student

Hearing: Friday, February 22, 2013
9:00 a.m. (CR 211)

Thank you for the opportunity to submit written testimony in support of SB91 SD1.

My name is Nicole Tsuchiya. I am a Master's of Social Work (MSW) student at the University of Hawaii. I am also a volunteer case manager at Family Promise of Hawaii (FPH), where I work with families who are experiencing homelessness. As participants in the FPH program, clients are required to seek and maintain full-time employment, save at least 90% of their income, and learn how to budget their money. In addition to receiving case management services, clients are also required to participate in the Rent-to-Work program which includes completing Money Smart classes.

As an MSW student and volunteer case manager, I can attest to the need for the allocation of funds to the state rent supplement program which assists working individuals and families who are homeless to attain permanent housing. Typically, FPH clients and potential waitlisted clients have earned at most, a high school diploma and work minimum wage jobs. Hypothetically, an individual who earns minimum wage (\$7.25 per hour) and works full time (40 hours per week) makes a gross income of \$580.00 per month. In comparison, the average cost to rent a one bedroom apartment in Honolulu, Hawaii is \$1,400.00 a month. Although these numbers vary, it is clear that working individuals and families who are experiencing homelessness are not able to afford permanent housing on their own.

In conclusion, an adequately funded and monitored state rent supplemental program will increase the success rate of individuals and families who are experiencing homelessness to transition to permanent housing and become self-sufficient members of society. The \$1.5 Million to be used for rental subsidies (a maximum of \$300 per month per household) will assist working individuals and families in meeting their monthly rent, long-term. In addition, the participation of subsidy recipients in workforce development programs will promote self-sufficiency. Lastly, the funds allocated to hire a qualified program specialist to manage the state rent supplement program are necessary to ensure the efficacy of the state rent supplement program.

Again, I appreciate the opportunity to testify in support of SB91 SD1. Thank you for your time.

Sincerely,

Nicole Tsuchiya

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: pmenter@mhkhawaii.org
Subject: Submitted testimony for SB91 on Feb 22, 2013 09:00AM
Date: Wednesday, February 20, 2013 5:44:46 PM

SB91

Submitted on: 2/20/2013

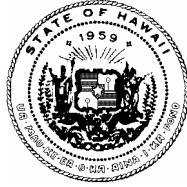
Testimony for WAM on Feb 22, 2013 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Pamela Menter	Individual	Support	No

Comments: Please support SB 91 to enhance multiple strategies to end homelessness in our State. This bill is important in order to create new pathways out of homelessness. Suggest one amendment on page 1, line 7: "(Funding) would be for the rent supplement program for homeless...to obtain and maintain permanent housing and administrative costs to operate the program." This would clarify that the allocation includes operating costs. The funding of \$1.5 million for shallow rent subsidies is necessary to provide a new and critical option to more rapidly move homeless working families into permanent housing. This shallow rent subsidy (maximum of \$300/month) would enable 400-500 working homeless families or individuals to move to permanent housing. Thank you.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 22, 2013

MEMORANDUM

TO: The Honorable David Y. Ige, Chair
Senate Committee on Ways and Means

FROM: Patricia McManaman, Director

SUBJECT: **S.B. 91, S.D.1 – RELATING TO HOUSING**

Hearing: Friday, February 22, 2013; 9:00 a.m.
Conference Room 211; State Capitol

PURPOSE: S.B. 91, S.D.1, appropriates funds for the state rent supplement program, for homeless working individuals or families who are ready to rent permanent housing in order to obtain and maintain permanent housing.

DEPARTMENT'S POSITION: The Department of Human Services supports the intent of this measure as it creates a vehicle for working homeless individuals and families to secure and maintain permanent housing, but we are concerned about the cost implications and the adverse impacts on the priorities in the Executive Biennium Budget.

The proposed rent supplement program could be accessed by individuals and families who are currently living in homeless transitional shelters. Many of these people are employed but do not make enough money to afford market level rentals. Currently, Public Housing may seem like the only alternative these individuals and families have to meet their need for permanent, affordable housing. But with a public housing waitlist that spans many years, this target population needs another avenue to secure affordable,

permanent housing. A modest rent supplement of up to \$300 per month as proposed in this bill would help these individuals and families secure and maintain themselves in permanent housing.

The DHS respectfully requests that should this bill be approved, the expending agency should be the DHS rather than the Hawaii Public Housing Authority.

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