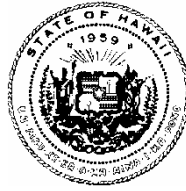


HB 1841

HD1

Measure Title:	RELATING TO HOMELESSNESS.
Report Title:	Homeless; Hale Kokua Program; Appropriation (\$)
Description:	Establishes the Hale Kokua Program under the Housing First Program within the Department of Human Services to incentivize homeowners statewide to set aside dwelling units for rental by families or individuals classified as employed but homeless. Appropriates funds to the Housing First Special Fund for the Hale Kokua Program. Effective July 1, 2025. (HB1841 HD1)
Companion:	<u>SB2534</u>
Package:	None
Current Referral:	HMS, WAM
Introducer(s):	CACHOLA, AWANA, BELATTI, BROWER, CABANILLA, CARROLL, HANOHANO, HASHEM, KOBAYASHI, MIZUNO, NISHIMOTO, TAKAI, WOODSON, Morikawa, Nakashima, Rhoads, Saiki, Souki, Takumi



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

March 11, 2014

MEMORANDUM

TO: The Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services

FROM: Barbara Yamashita, Deputy Director

SUBJECT: **H.B. 1841, H.D. 1 – RELATING TO HOMELESSNESS**

Hearing: Tuesday, March 11, 2014; 1:15 p.m.
Conference Room 016; State Capitol

PURPOSE: H.B. 1841, H.D. 1, proposes to establish Hale Kokua under the auspices of a housing first program, within the Department of Human Services. The proposed service would provide incentives and assistance to homeowners throughout the State who set aside existing dwelling units for rental for a period of five years by families or individuals classified as employed but homeless.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent to provide affordable housing for homeless individuals and families. However, we do not support the Hale Kokua program as a means to achieve this goal.

The Housing First program that the Department has been advocating for is the **Pathways Model**, a Substance Abuse and Mental Health Services Administration (SAMHSA) vetted, evidence-based (i.e., data driven, evaluated, and replicated)

program that identifies the chronic homeless who have substance abuse and/or severe psychiatric disorders, and places them in housing with a robust and prescriptive service called the Assertive Community Treatment (ACT) team. The team is often composed of a psychiatrist, nurse, social work, housing specialist, and other team members that support that client's tenancy in housing while offering services to address other psychiatric, psychological, social, or medical needs. The Department of Health recently received a SAMHSA grant of more than \$2 million to implement the Pathways Model of Housing First, and it seems very counter productive to implement a program that is inconsistent with the fidelity of Housing First.

The proposed Hale Kokua program is not compatible with population that the Housing First program is focused on. Hale Kokua's program as proposed seeks to target working homeless individuals and families, which is not the same population that is best served by the evidenced-based Housing First program. It would be inappropriate and potentially dangerous for the State to place this sub-population of chronically homeless with random landowners or families wishing to offer units to rent in exchange for rental subsidies and/or the possible tax exemptions yet to be negotiated with each county.

The scope and requirements of the Hale Kokua program would make oversight of this program onerous even if it were contracted to a vendor. The oversight required includes background checks; eligibility determination; screening and monitoring of work status; housing matching and placement; disbursement of rental subsidies; working with the counties to develop and propose uniform incentives for property owners; and working with counties to enact real property tax rate waivers or reductions as incentives to property owners.

If the program were implemented by a vendor, the DHS Homeless Programs Office would be responsible for procurement, contracting, and monitoring. To be able to do all of this additional work, including the financial monitoring of the various transactions, the projected staffing resources needed would be:

- 1) a program administrator
- 2) six program specialists
- 3) an attorney or advocate to work with the counties on zoning and real property exemption issues;
- 4) two forensic accountants to monitor spending on the individual and aggregate basis.

Additional funding will also be required for the operational costs for the vendor to administer the program and for the rent subsidies for each recipient.

The current requirements of the program are beyond the Homeless Programs Office's ability to administer this program without adequate staffing, funding, and administrative and program supports.

Homeless service agencies are already working with private landlords and property management companies to establish relationships that encourage and promote housing opportunities for the homeless (and formerly homeless). Agencies are educating landlords about the client base. Supportive services are necessary to encourage landlords to rent to our homeless residents. When positive relationships between landlords and agencies are established and nurtured through consistent follow up, tenants are more stable and landlords grow more willing to rent their units to our client base.

The system would certainly benefit from greater participation by more landlords and more property management firms, but establishment of this program with additional

burdens for eligibility, five year commitments, and monitoring of additional incentives is not feasible.

The Homeless Programs Office is focused on implementing the evidenced based Housing First model, which is supported by the Hawaii Interagency Council on Homelessness.

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



CATHOLIC CHARITIES HAWAII

COMMENTS RE: HB 1841, HD1: RELATING TO HOMELESSNESS

TO: Senator Suzanne Chun Oakland, Chair; Senator Josh Green, Vice Chair; and
Members, Committee on Human Services
FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii
Hearing: **Tuesday, March 11, 2014; 1:15 pm; Room 016**

Chair Chun Oakland, Vice Chair Green, and Members, Committee on Human Services

Thank you for the opportunity to provide comments on HB 1841 which would establish the Hale Kookua Program under the Housing First Program at DHS. I am Betty Lou Larson, Legislative Liaison for Catholic Charities Hawaii. We support the intent of this bill to increase housing available to the homeless but have serious concerns about how this bill could be implemented.

Housing First is a key strategy to end chronic homelessness. We find that Housing First targets a very different population than the working homeless who are the focus of Hale Kookua. Almost all chronically homeless persons are not working and will need extensive services to enable them to work. They need immediate housing first, where they can be stabilized. We feel that Housing First needs to get up and running, utilizing the model that has proven effective across the country. It is too new to add other programs to this initiative.

Catholic Charities is also concerned about the high administrative costs for the possibly few number of working homeless who would chose this option and be acceptable to a specific homeowner. Catholic Charities has operated shared housing programs in the past and has found them to be very labor intensive. You cannot just send any homeless person to share with any family. The matching and the follow-up due to sharing conflicts require substantial time. Follow-up of the rental subsidy, as well as keeping the landlord list current, could also be problematic since there is often high turnover among all those who share, not only those who are homeless. Developing a registry of landlords and then attempting to work with the county councils to “develop and propose uniform incentives to encourage and facilitate the participation of property owners” could be very time consuming without obtaining any concessions from already financially strapped counties.

The level of screening required in the bill also raises questions of liability. If homeowners feel that they are “guaranteed” a good tenant they may hold the State or provider liable if they have a bad experience with the renter. In other programs that link homeless or at-risk homeless families to rental units, it is the responsibility of the landlord to do due diligence. Those programs do assist if issues arise, but they do not provide the level of screening and assessment that a private homeowner may expect. Hale Kookua would need a level of staffing that is not currently in place for homeless programs.

Other programs like the Shallow Subsidies for working homeless may be a more streamlined way to assist working homeless to obtain housing. Please contact me if you have any questions.



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Phone (808)373-0356 • Email: bettylou.larson@catholiccharitieshawaii.org





Community Alliance *for* Mental Health

March, 11, 2014

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To: Senate Committee on Human Services
Re: HB1841, HD 1

Aloha Chair Chun-Oakland and the members of their committees,

On behalf of the Community Alliance for Mental Health along with United Self Help strongly support HB 1841, HD 1.

We believe that there is no way that the fifty thousand housing units Hawai'i needs can be constructed in the next ten years. Given that options must be found. We also believe that the Hale Kokua Program to seek out potential available rental units amongst private home owners has viable potential to help alleviate the problem.

Scott Wall
VP/Legislative Advocate
Community Alliance for Mental Health

HB1841

Submitted on: 3/8/2014

Testimony for HMS on Mar 11, 2014 13:15PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Ellen Awai	Individual	Support	No

Comments: HB1841 HD1 Hale Kokua - Hawaii's economy is one of the highest in our nation, that many of our own Hawaiian population cannot find any homes. It is depressing to see our own families, whose parents have jobs but cannot provide a suitable home for their family. This could also include individuals and families, who may not be seen on the streets or beaches, but are in cars or staying with family in overcrowded situations. These situations could cause domestic disputes and mental health problems between family members. Hawaii will always be paradise with a housing/homelessness problem with many homeless gravitating to our islands without fear of dying from heated or freezing weather. But we need to take care of our own population first. I stand in strong support of HB1841 HD1!

Lynn C. O. Garcia
95-1121 Koolani Dr. #183
Mililani, HI 96789
lgarcia7@hawaii.edu

March 10, 2014

To: The Honorable Senator Suzanne Chun Oakland, Chair
Committee on Human Services
The Honorable Senator Josh Green, Vice Chair
Committee on Human Services

From: Lynn C. O. Garcia, MSW Candidate at UH

Subject: HB 1841 – Relating to Homelessness

Hearing: March 11, 2014, Conference room 016

As a social work student and a citizen passionate about ending chronic homelessness in the state of Hawaii, I strongly support HB 1841 HD1. Given the facts that Hawaii has the second largest homeless rate in Hawaii, the highest cost of living in the nation, and the highest cost burden in the nation, we need to pull together to implement this highly effective, long overdue Housing First program for the most vulnerable members of our state. There is a large subset of the population in Hawaii which is on the verge of becoming homeless, and many more who face this issue firsthand every day.

The success of Housing First will be dependent on the implementation process, and getting the homeless into homes will full support of the landlords and agencies. The Hale Kokua Project will engage landlords and help them realize that they are a vital component to the success of the program. It will show them that we can't end homelessness without their full help and cooperation! It will also ensure that the breadth of oversight will be handled responsibly.

We need to help reduce the stigma of the homeless. If we can connect with the landlords and educate and engage them in this process, it will send a strong message that the homeless deserve respect, can live and thrive among us, and are worthy of having a chance to succeed.

Mahalo,

Lynn Garcia