



HPCCA

HAWAII PRIMARY CARE ASSOCIATION



Senate Committee on Ways and Means

Senator David Y. Ige, Chair

Senator Michelle N. Kidani, Vice Chair

Testimony in Support of Senate Bill 2533

Relating to Affordable Housing

Submitted by Robert Hirokawa, Chief Executive Officer

February 19, 2014, 9:10 am, Room 211

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports Senate Bill 2533, addressing the growing housing crisis in Hawaii.

The HPCA is a staunch believer in the social determinants of health, those economic and social conditions that influence an individual and a community's health status. These conditions serve as risk factors endemic to a person's living and working environment, rather than their behavioral or genetic histories. Factors such as income, education, access to recreation and healthy foods, housing, and employment, can and do have measurable impacts on a person and a community, both in health and financial outcomes.

Senate Bill 2533 speaks to one of these major determinants by appropriating funds to improve and increase public housing, issuing general obligation bonds to develop affordable rental housing, aiding in the construction of micro apartment housing units, and building affordable housing units for veterans. Last year alone, community health centers provided health services to over ninety-one hundred homeless individuals, and the number continues to rise.

For these reasons, we strongly support this measure and thank you for the opportunity to testify.



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February 18, 2014

SB 2533 – Relating to Affordable Housing
Senate Committee on Ways and Means
Wednesday, February 19, 2014, 9:10 AM, Room 211



RE: SUPPORT TESTIMONY

Aloha e Chair Ige, Vice Chair Kidani, and Committee Members:

On behalf of Hawaiian Community Assets, Inc (HCA), I am writing in **STRONG SUPPORT** of SB 2533 Relating to Affordable Housing, legislation that would appropriate funds to increase the availability of affordable housing inventory in the State and provide crucial relief for our homeless and very-low income children and families.

I am Jeff Gilbreath, Executive Director of HCA, a nonprofit HUD-certified financial education and housing counseling agency that serves low- and moderate-income children and families with free financial education services and products to secure and sustain permanent housing. As an organization with 13 years experience in educating Hawaii children and families facing and at-risk of homelessness, we support this legislation seeing affordable rental housing – as well as affordable homeownership opportunities on Hawaiian homelands - as part of a comprehensive, long-term solution to build stability within our local housing market and to fight homelessness in our island State.

HCA strongly supports the specific aspects of the legislation as follows:

Part VI: Appropriation to construct housing for beneficiaries on homestead land.

Currently, 26,170 native Hawaiian beneficiaries are on the waitlist to claim their lease award on Hawaiian homelands. Through a 3-year, \$1.2 million pilot project in which HCA implemented HUD-certified financial education and housing counseling to increase the rate of transition into permanent housing by homeless families residing in transitional shelters on the Waianae Coast, the organization identified that the majority of project participants were Native Hawaiian (58%). A total of 10% of the project participants were identified as native Hawaiian beneficiaries who had been waiting at least 10 years for their lease award on Hawaiian homelands and during the process to get back to the land, became homeless moving from beach to beach and shelter to shelter.

Due to a lack of resources and investments for the development of housing on Hawaiian homelands, HCA was able to work with private landlords, Hawaii Public Housing, and realtors to assist a total of 149 Hawaiian children and parents secure permanent housing from the shelter.

The shining example of this success is in the recent Hale Makana o Nanakuli development in which 5 of the project participant families who were native Hawaiian beneficiaries families fought homelessness and secured affordable rental housing.

Additionally, 1 native Hawaiian beneficiary and Veteran, Mr. Larry Kawaauhau Jr, moved from the beach to homeownership in 30 months, becoming financially qualified to secure mortgage financing off of Hawaiian homelands. He was 1 of 15 native Hawaiian beneficiary project participants who were housed as a result of the project.

With an appropriation to construct housing for beneficiaries on homestead land, fellow beneficiaries like Mr. Kawaauhau Jr and the families who are now residents of Hale Makana o Nanakuli, we can be sure that the State Legislature is helping to fulfill their responsibility of providing opportunities to assume their rightful place in their homelands.

Part V: \$15.8 million for the construction of micro apartment units: Hawaii's housing crisis is growing. Rents have risen over 45% since 2005. Almost 75% of extremely low income households pay more than half their income for rent. Hawaii has the highest rate of homelessness in the USA. The market is not building affordable rentals. Very low rents are needed by seniors on SSI with incomes under \$800, young working people, single homeless, small families, etc. New creative ideas are needed to solve their housing needs. The concept of micro units is a new pathway to house people in safety, dignity and in a small, well-designed unit. Units may range from 220 to about 300 square feet. At a minimum, they include a small bathroom, kitchen sink, refrigeration and cooking appliance, and some storage space. The estimated cost of a micro unit is half of what it costs to construct a regular "affordable" rental unit.

Part III: \$100 million to the Rental Housing Trust Fund (RHTF): The Trust Fund is an effective system to create housing with the capacity to utilize \$100 million. In fact, in 2013, \$70.4 million in project requests were received by the RHTF. Through its competitive process it can assist affordable rental projects on all islands. Housing is also an economic driver; the \$20.7 million awarded to 4 projects in FY 12, will leverage \$70,352,124 in overall development costs, creating 213 direct construction jobs and 500 indirect jobs. \$100 million to the RHTF will create about **600 affordable units**. The RHTF also mandates that 5% of the units produced, target people at 30% AMI or below who are most at risk of homelessness. The RHTF is the right vehicle to promote affordable rentals.

Mahalo for the opportunity to submit my testimony in support for SB 2533 Relating to Affordable Housing so we may take an important step in increasing the availability of affordable housing inventory in the State and provide crucial relief for our homeless children and families.

Sincerely



Jeff Gilbreath
Executive Director



HAWAII CATHOLIC CONFERENCE

6301 Pali Highway
Kaneohe, HI 96744-5224

Submitted: Online
Hearing on: Wednesday, February 19, 2014 @ 9:10 a.m.
Conference Room: 211

DATE: February 18, 2014
TO: Committee on Ways & Means
Sen. David Ige, Chair
Sen. Michelle Kidani, Vice Chair
From: Walter Yoshimitsu, Executive Director
Re: Support of SB 2533 Relating to Affordable Housing



Honorable Chair and members of the Senate Ways & Means Committee, I am Walter Yoshimitsu, **representing the Hawaii Catholic Conference**. The Hawaii Catholic Conference is the public policy voice for the Roman Catholic Church in the State of Hawaii, which under the leadership of Bishop Larry Silva, represents Roman Catholics in Hawaii.

We support SB 2533 because homelessness continues to be one of the State’s most significant and challenging social problems. The Diocese of Honolulu supports any strategic plan that makes homelessness and affordable housing one of its primary areas of focus. For many households in Hawaii at risk of becoming homeless, high housing costs mean skipping on food and medical care, moving frequently to find lower rents—which can interrupt a child’s education—creating periods of homelessness. As people of faith, we simply cannot sit back and watch while families fall apart.

SUPPORT FOR THE RENTAL HOUSING TRUST FUND

We support this bill because it appropriates much needed funding for deposit into the rental housing trust fund to finance affordable rental housing development. We strongly believe that the funding used by the RHTF has consistently produced much-needed housing. Recent statistics show that over four-thousand homes have been created utilizing this fund. That is a great accomplishment in this dire economy but it is simply not enough. We know we have much more work to do!

SUPPORT FOR MICRO-HOUSING

Another key component for the conference in supporting this bill is that we appreciate the appropriation of funding for the construction of micro apartment housing units. This creative approach could have many positive effects on the economy including;

- **creating jobs** in the construction industry, growth and improvement in other industries like retail, professional services, health, and education, as these sectors grow to accommodate the increased number of residents,
- **increasing consumer spending** as decreased housing and utilities costs, renters and homeowners will have more disposable income to spend, which gives a positive boost to the economy,
- **assisting families and individuals at risk of homelessness** and allowing them to become self-sufficient.

All of these things, in turn, will ultimately help Hawaii save money on programs aimed at helping the homeless, and will reduce the burden on charities and religious organizations. We do understand that many services are vying for funding at this critical time and we appreciate your ongoing support for the Rental Housing Trust Fund.

Mahalo for the opportunity to testify.



From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: darakawa@lurf.org
Subject: *Submitted testimony for SB2533 on Feb 19, 2014 09:10AM*
Date: Wednesday, February 19, 2014 8:59:19 AM

SB2533

Submitted on: 2/19/2014

Testimony for WAM on Feb 19, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
David Z. Arakawa	Land Use Research Foundation	Support	No

Comments:

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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From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: ajc@aloha.net
Subject: Submitted testimony for SB2533 on Feb 19, 2014 09:10AM
Date: Tuesday, February 18, 2014 10:16:07 AM

SB2533

Submitted on: 2/18/2014

Testimony for WAM on Feb 19, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Alika Campbell	Individual	Support	No

Comments: I strongly support the Rendtal Housing Trust Fund as it provides funding for the construction and renovation fo affordable rental units. Without the trust fund it would be nearly impossible for developers to build affordable units. The development of "micro-units" is an innovative approach to developing more housing units and is also worth funding. With an ever growing need for housing, the Rental Housing Trust Fund and developing mirco-units are vital pieces of Hawaii's housing puzzle and should be strongly supported by the legislature. I ask the you support SB2533.

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