## **TESTIMONY IN SUPPORT OF SB 2535: RELATING TO HOUSING**

TO: Senator David Ige, Chair; Senator Michelle Kidani, Vice Chair; and members of the Committee on

Ways and Means

FROM: Robert Stark, Director of the Catholic Diocese of the Office for Social Ministry

Hearing: Thursday, February 13, 2014, 9:30 AM, Room 211

Dear Chair Ige, Vice Chair Kidani, and members of the committee:

On behalf of the Office for Social Ministry of the Catholic Diocese of Honolulu, I want to express our gratitude for the opportunity to testify **in wholehearted support of SB 2535** appropriating funding for a variety of critical programs targeted at addressing and ending homelessness.:

Housing First Programs funding of \$1.5 million: Catholic parishioners and our Office for Social Ministry have seen and experienced firsthand through working with HOPE Services Hawaii Inc, Catholic Charities, and the Institute for Human Services that Housing First is a best practice that places chronically homeless individuals in permanent housing with intensive support services. Individuals are stabilized as a result of permanent housing and comprehensive support services. As a result, costs such as hospitalization, emergency services, and incarceration are dramatically reduced. Communities around the country have seen large decreases in their chronically homeless population and costs associated with homelessness as a result of Housing First. Cities such as Denver, Los Angeles, and Seattle have reduced public costs by around 75% for each individual housed, resulting in millions of dollars saved. The research and our actual experience here in Hawaii indicate that Housing First is the way to end chronic homelessness. For example, Utah has seen the rate of chronic homelessness reduced by 74% since 2007 since the program was implemented and is actually closing shelters. Programs consistently report high success rates of keeping residents in permanent housing.

Permanent supportive housing funding of \$500,000 to provide matching funds for HUD-funded Continuum of Care programs: These programs draw down about \$8 million in federal housing subsidies for homeless individuals with disabilities. Currently, 600 homeless individuals with disabilities are able to maintain housing in our communities as a result of these programs. However, service providers must match these federal funds and provide the wraparound services needed to keep these individuals housed. By funding these programs, the state will be helping homeless individuals stabilize their lives and remain housed while also leveraging a large amount of federal funding.

Shallow Subsidy Program funding of \$1 million: Many homeless families work to attain self-sufficiency, but even once they find employment, they still struggle to find affordable housing. For many, public or deeply subsidized housing is all they can afford, yet the long wait for units or other subsidies means that these households languish in transitional housing. Under this program, families will pay 40% of their income toward rent, which will then be augmented by a maximum subsidy of \$300 to cover the gap between what they can pay and market rent. This program will provide another route to stable housing for families who are ready to rent. We also support the provision to use funds for DHS staff to administer the program.

Again, thank you for providing the Catholic Office for Social Ministry the opportunity to testify in strong support of SB 2535 providing funds for Housing First, Continuum of Care, and Shallow Subsidy programs.

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



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Testimony of Hawai'i Appleseed Center for Law and Economic Justice Supporting SB 2535 Relating to Housing Senate Committee on Ways and Means Scheduled for Hearing Thursday, February 13, 2014, 9:30 AM, Room 211

Hawai'i Appleseed Center for Law & Economic Justice is a nonprofit law firm advocating on behalf of low income individuals and families in Hawai'i on civil 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.

Thank you for an opportunity to testify in **strong support** of Senate Bill 2535, which would fund critical programs to address homelessness, including Housing First, Continuum of Care permanent supportive housing, shallow subsidy rental assistance program, mental health and substance abuse treatment, and the homeless assistance working group. Hawai'i Appleseed supports all of these programs but would like to particularly emphasize the importance of funding Housing First and the shallow rental subsidy programs.

Housing First is an innovative and highly successful approach to housing the most challenging populations of individuals experiencing homelessness. A person who has been chronically homeless needs, first and foremost, stable permanent housing. Once placed in housing, the individual can receive the services and supports necessary to address the underlying issues that lead to homelessness in the first place, such as mental illness or substance use disorders. Housing First has worked around the country, in both urban and rural areas, and kept the most vulnerable individuals housed and improved their quality of life. The U.S. Interagency Council on Homelessness has long endorsed it as a best practice. Research has also demonstrated the cost-efficacy of this approach: it often costs less to house a chronically homeless person and provide comprehensive supportive services than to leave them unsheltered, due to the high costs of emergency interventions such as ER visits or incarceration that leave individuals homeless.

The shallow subsidy program is targeted to help homeless households who are ready to rent to leave transitional housing and move into a permanent, market rate unit. Many families in transitional housing are ready to rent, but even if they are working full time, their income may be too low to afford market rents. This is no surprise, given that Hawai'i has the highest cost of shelter in the country and a severe shortfall of affordable rentals. Almost three out of four extremely low-income households are paying more than half of their income on rent. For those living in poverty, the severe housing cost burden is even greater. The options for public housing or other subsidies are extremely limited and have long waitlists. As a result of this lack of affordable rentals, families who are ready to rebuild their lives in stable housing are instead stuck in transitional housing. With the shallow subsidy rental assistance program, a household would pay 40 percent of their income in rent and receive a maximum rental assistance payment of \$300 per month. This would help meet the gap for working homeless families who have income but cannot pay a full market rent.

Again, thank you for the opportunity to testify in support of SB 2535 to fund these critical homeless intervention programs.

## TESTIMONY IN SUPPORT OF SB 2535: RELATING TO HOUSING

TO: Senator David Ige, Chair; Senator Michelle Kidani, Vice Chair; and members of the

Committee on Ways and Means

FROM: Peter K. Mattoon, Advocacy Committee Co-Chair, Partners In Care

Hearing: Thursday, February 13, 2014, 9:30 AM, Room 211

Dear Chair Ige, Vice Chair Kidani, and members of the committee:

Thank you for the opportunity to provide testimony **in strong support** of SB 2535, appropriating funding for a variety of critical programs targeted at addressing and ending homelessness. I am Peter K. Mattoon, and I am an Advocacy Committee Co-Chair for Partners In Care (PIC), a coalition of care providers focusing on the needs of homeless persons and strategies to end homelessness. Partners In Care supports:

Housing First Programs funding of \$1.5 million: Housing First is a best practice that places chronically homeless individuals in permanent housing with intensive support services. Individuals are stabilized as a result of permanent housing and comprehensive support services. As a result, costs such as hospitalization, emergency services, and incarceration are dramatically reduced. Communities around the country have seen large decreases in their chronically homeless population and costs associated with homelessness as a result of Housing First. Cities such as Denver, Los Angeles, and Seattle have reduced public costs by around 75% for each individual housed, resulting in millions of dollars saved. The research indicates that Housing First is the way to end chronic homelessness. For example, Utah has seen the rate of chronic homelessness reduced by 74% since 2007 since the program was implemented and is actually closing shelters. Programs consistently report high success rates of keeping residents in permanent housing.

<u>Permanent supportive housing funding of \$500,000</u> to provide matching funds for HUD-funded Continuum of Care programs: These programs draw down about \$8 million in federal housing subsidies for homeless individuals with disabilities. Currently, 600 homeless individuals with disabilities are able to maintain housing in our communities as a result of these programs. However, service providers must match these federal funds and provide the wraparound services needed to keep these individuals housed. By funding these programs, the state will be helping homeless individuals stabilize their lives and remain housed while also leveraging a large amount of federal funding.

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Again, thank you for providing Partners In Care the opportunity to testify in strong support of SB 2535 providing funds for Housing First, Continuum of Care, and Shallow Subsidy programs.

Partners In Care, c/o Aloha United Way, 200 N. Vineyard Blvd. Suite 700 Honolulu, Hawai'i 96817 From: <u>mailinglist@capitol.hawaii.gov</u>

To: WAM Testimony

Cc: <u>mikepeacock@hawaiivet2vet.com</u>

**Subject:** Submitted testimony for SB2535 on Feb 13, 2014 09:30AM

Date: Wednesday, February 12, 2014 6:40:14 AM

## **SB2535**

Submitted on: 2/12/2014

Testimony for WAM on Feb 13, 2014 09:30AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Peacock	Individual	Support	No

Comments: Having been homeless for five years I can and do support Housing First as a best practice for reducing homelessness in our State.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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