



**EXECUTIVE CHAMBERS**  
HONOLULU

**DAVID Y. IGE**  
GOVERNOR

March 1, 2016

TO: The Honorable Representative Sylvia Luke, Chair  
House Committee on Finance

FROM: Scott Morishige, MSW, Governor's Coordinator on Homelessness

SUBJECT: **HB 2244 HD1 – RELATING TO HOUSING**

Hearing: Tuesday, March 1, 2016, 1:00 p.m.  
Conference Room 308, State Capitol

**POSITION:** The Governor's Coordinator on Homelessness supports this measure to the extent that passage of this bill does not replace or adversely impact priorities indicated in the Executive Budget. The Coordinator asks for the Legislature's support of the Governor's Executive Budget request, which includes a General Obligation bond appropriation of \$75 million for the Rental Housing Revolving Fund (RHRF); \$3 million for Housing First; \$2 million for Rapid Re-Housing and \$31 million to improve existing public housing stock within the Hawaii Public Housing Authority (HPHA).

**PURPOSE:** The purpose of the bill is to appropriate funding for a range of services to address homelessness. These include: Part I: appropriation to the Rental Housing Revolving Fund (RHRF); Part II: appropriation for the continuation of the State's Housing First program and its expansion to the neighbor islands; Part III: appropriation to the HPHA to improve the existing public housing stock; and Part IV: appropriation for a rental assistance program, also known as the shallow subsidy program, with the Department of Human Services (DHS), for working homeless individuals and their families who are ready to rent permanent housing, with certain eligibility requirements.

These appropriations are in alignment with Goal 2, Objectives 4 and 5 of the Hawaii Interagency Council on Homelessness' Strategic Plan to End Homelessness, which are to "Create and preserve affordable housing for people at 50% and below of median income," and

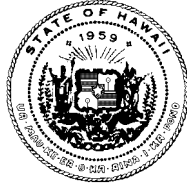
“Create and preserve permanent supportive housing options for people who are homeless and have special needs, e.g. mentally ill, medically frail, physically disabled, elderly, released offenders, and substance affected.”

In regard to Parts I and III, there are estimates that Hawaii needs an additional 28,000 housing units to meet the demand for housing, including 19,000 units for households that are low-income or very low-income. An increased appropriation to the RHRF will provide more resources to support new housing construction, while an appropriation for repair and maintenance to the HPHA will ensure that existing housing for low-income and very low-income households is maintained.

In regard to Part II, the Coordinator notes that the State’s Housing First program has permanently housed 108 chronically homeless persons since July 2014, including many individuals with serious and persistent mental illness and chronic health conditions. The State’s Housing First program has provided housing subsidies for these individuals, and be stabilizing their housing there are indications that their health conditions are being addressed and healthcare costs have been reduced. A preliminary analysis by the University of Hawaii, Center on the Family, of a subset of State Housing First clients found that estimated healthcare costs for clients dropped an average of 43% in the six months following housing placement – from an average of \$10,570 per client per month to \$5,980 per client per month. While the program is currently limited to Oahu, there is a need for Housing First services statewide. This measure would enable statewide expansion of the program.

In regard to Part IV, the Coordinator notes that HPHA currently operates the Rent Supplement program, which is similar in nature to the program proposed in this part. The Coordinator defers to DHS regarding specific issues related to implementation of the proposed program, including details regarding cost, procurement, and labor.

Thank you for the opportunity to testify on this bill.



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

March 1, 2016

TO: The Honorable Representative Sylvia Luke, Chair  
House Committee on Finance

FROM: Rachael Wong, DrPH, Director

SUBJECT: **HB 2244 HD1 – RELATING TO HOUSING**

Hearing: Tuesday, March 1, 2016, 1:00 p.m.  
Conference Room 308, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of this bill to provide funding to address the State's homeless crisis. In particular, the Department is supportive of Part II, expanded funding for the Housing First program, which is an evidence-based best practice targeted at the unsheltered homeless population with the highest acuity and chronicity. The DHS asks for the Legislature's support of the Governor's Executive budget request for \$3 million for Housing First.

With regard to Part IV, the establishment of a rent subsidy program to be operated by the DHS, we support the intent with comments.

**PURPOSE:** The purpose of the bill is to appropriate funding for various housing programs. These include: Part I: appropriation to the rental housing revolving fund; Part II: appropriation for the continuation of the State's Housing First program and its expansion to the neighbor islands; Part III: appropriation to the Hawaii Public Housing Authority to improve the existing public housing stock; and, Part IV: appropriation for a rental assistance program, also known as the shallow subsidy program, with the Department of Human Services, for working homeless individuals and their families who are ready to rent permanent housing, with certain eligibility requirements.

With regard to Part IV, the establishment of a rent subsidy program to be operated by the Department, DHS notes that in discussion with the Hawaii Public Housing Authority (HPHA), HPHA currently operates a state-wide rental subsidy program funded at approximately \$1 million. The HPHA program is currently operated with 1.25 FTE, however at one time the program was staffed at 5.0 FTE. The DHS is not certain whether the proposed rent subsidy program is intended to supplement the HPHA program or to supplant it. We would need to exercise caution about transferring the existing program staffed by civil servants and offering it via a Chapter 103f HRS contract.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
EXECUTIVE DIRECTOR

## STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM  
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION  
677 QUEEN STREET, SUITE 300  
Honolulu, Hawaii 96813  
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of  
**Craig K. Hirai**  
Hawaii Housing Finance and Development Corporation  
Before the

### HOUSE COMMITTEE ON FINANCE

March 1, 2016 at 1:00 p.m.  
State Capitol, Room 308

In consideration of  
**H.B. 2244, H.D. 1, RELATING TO HOUSING.**

HHFDC supports H.B. 2244, H.D. 1, provided that its passage does not replace or adversely affect priorities set forth in the Executive Supplemental Budget request.

In particular, we support the intent of Part I of the bill, which makes an unspecified General Fund appropriation for deposit into the Rental Housing Revolving Fund (RHRF), and note that the Supplemental Budget request includes a General Obligation bond appropriation of \$75 million for infusion into the RHRF. An infusion of that amount into the RHRF would help finance the development of an additional 600 affordable rental units.

The RHRF provides loans to projects that set aside rental units affordable to extremely and very low-income families. The RHRF loans fill the financing gap to develop an affordable rental housing project. Since its inception, RHRF awards have been made to 71 affordable rental projects comprising 5,673 units statewide.

Thank you for the opportunity to testify.

DAVID Y. IGE  
GOVERNOR



SARAH ALLEN  
ADMINISTRATOR

PAULA A. YOUNGLING  
ASSISTANT ADMINISTRATOR

**STATE OF HAWAII  
STATE PROCUREMENT OFFICE**

P.O. Box 119  
Honolulu, Hawaii 96810-0119  
Telephone: (808) 587-4700  
e-mail: [state.procurement.office@hawaii.gov](mailto:state.procurement.office@hawaii.gov)  
<http://spo.hawaii.gov>

TESTIMONY  
OF  
SARAH ALLEN, ADMINISTRATOR  
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE  
ON  
FINANCE

Monday, March 1, 2016, 1:00 p.m.

HOUSE BILL 2244  
RELATING TO HOUSING

Chair Luke, Vice-Chair Nishimoto, and members of the committee, thank you for the opportunity to submit testimony on HB 2244HD1. The State Procurement Office's (SPO) comments are limited to Part III, Section 6, page 6, lines 7-14 of this bill, which proposes that the appropriation be expended for "staff within the homeless programs office and for program and administrative costs associated with establishing and operating the shallow subsidy program" through a contract issued pursuant to HRS chapter 103F.

If this bill's intent is to outsource staffing for the shallow subsidy program, and if the appropriation is for administrative/operating costs, then it is more appropriate that the services be procured in accordance with HRS chapter 103D. HRS chapter 103F would only apply if the health and human services intends to maintain or improve health or social well-being, i.e., assessment, treatment, diagnosis, prevention and education services, and provided directly to a targeted clientele, i.e., communities, families, or individuals.

Thank you.

**KALIHI PALAMA HAWAIIAN CIVIC CLUB**

**TESTIMONY IN SUPPORT OF  
HB 2244, HD1, Relating to Housing  
Committee on Finance**

**Hearing: March 1, 2016, 1:00 pm., Conference Room 308**

Rep. Sylvia Luke, Chair  
Rep Scott Y. Nishimoto, Vice Chair  
Members of the Committee on Finance

Aloha,

The Kalihi Palama Hawaiian Civic Club supports HB 2244, HD1, Relating to Housing, that would make appropriations for various housing programs designed to assist citizens of Hawaii who are homeless (aka houseless) or who require some assistance to avoid being houseless.

Hawaii has the highest homelessness rate in the nation, and the problem continues to worsen. A sad statistic is that Hawaiians/Part-Hawaiians are the second highest ethnicity who are homeless. Further, the Kalihi Palama area has experienced its share of homeless, especially in places like the Kapalama Canal and Kalihi Valley.

We need stable funding sources that address the chronic housing shortage and bridge the economic gap for families to afford safe and secure housing, especially those with young children. Without state investments, our state will continue to have the dismal record of leading the nation in growing rates for homelessness and unsafe and unstable housing.

The Rental Housing Revolving Fund, Housing First, Shallow Rent Subsidy, and Public Housing repair programs proposed by HB 2244, HD1 are much needed. Please support passage of this appropriations bill.

Respectfully,

LEIMOMI KHAN  
President

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 29, 2016 7:59 AM  
**To:** FINTestimony  
**Cc:** dreamaloha@hawaii.rr.com  
**Subject:** Submitted testimony for HB2244 on Mar 1, 2016 13:00PM

**HB2244**

Submitted on: 2/29/2016

Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Catherine Graham & Bob Nakata	FACE - Faith Action for Community Equity	Comments Only	Yes

Comments: Aloha members of the Finance Committee, As we all know, housing is in a state of crisis here in Hawaii and we at FACE and the Housing Now! Coalition are deeply grateful to the legislature for understanding this and forwarding housing bills. We are in complete support of the Governor's Budget of \$75 million to the rental housing revolving fund for construction of new affordable housing and \$25 million to the Dwelling Unit Revolving Fund for upgrading of infrastructure so those housing units can indeed be built. But since 20,000+ units are needed ASAP, the quickest way to increase our housing inventory is by fixing up already existing public housing units. We therefore support the Senate Bill to fund HPHA at \$100 million. Increasing funds for Housing First and the shallow rent subsidies is also critical in reducing the number of homeless individuals and families on our streets. Thank you Catherine Graham and Rev. Bob Nakata co-chairs FACE Housing Task Force and the Housing Now! Coalition

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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PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

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TO: Representative Sylvia Luke, Chair  
Representative Scott Nishimoto, Vice-Chair  
Members, House Committee on Finance

FROM: Scott Fuji, Executive Director PHOCUSED

HEARING: **Tuesday, March 1<sup>st</sup>, 2016 at 1:00pm in Conf. Rm. 308**

**Testimony in Support of HB 2244 HD1 RELATING TO HOUSING**

Thank you for the opportunity to provide testimony in **strong support** of HB 2244 HD1 which would make appropriations to various housing programs. PHOCUSED is a non-profit membership based advocacy group for the health and human service sector.

Hawaii's homeless situation has reached crisis proportions. We are currently ranked as having the #1 rate of homelessness per capita in the nation. This crisis requires a multi-faceted approach to housing Hawaii's individuals and families experiencing homelessness. We strongly support HB2244 HD1 with the original language to appropriate the following funds:

- \$75 million to the Rental Housing Revolving Fund to produce a significant number of affordable rental units.
- \$3 million dollars for the State's Housing First program which provides long-term rental support and intensive case management for some of Hawaii's most vulnerable and long-term homeless individuals and families.
- \$2 million dollars for a State shallow rent subsidy program which would provide working families with enough rental support to be able to leave the streets or shelters and move directly into permanent housing.

These are programs targeted and designed to address homelessness at its roots (affordable housing), those who are currently homeless and in need of intensive case management to stay permanently housed (Housing First), and our working families who are not currently making enough to be able to afford rent (Shallow Rent Subsidy). HB2244 HD1 would go a long way towards offering targeted and specific relief to those we know are out there that need it.

Once again, PHOCUSED strongly urges your support of this bill. If you have any questions, please do not hesitate to contact PHOCUSED at 521-7462 or by e-mail at [admin@phocused-hawaii.org](mailto:admin@phocused-hawaii.org).



# PARTNERS IN CARE

## Oahu Continuum of Care

*Partners in Care is a coalition of Oahu's homeless service providers, government representatives and community stakeholders working together in partnership to end homelessness.*

### TESTIMONY IN SUPPORT OF HB 2244, HD1: RELATING TO HOUSING

TO: Representative Sylvia Luke, Chair; Representative Scott Y. Nishimoto, Vice Chair; and Members, Committee on Finance  
FROM: Greg Payton, Chair, Advocacy Committee, Partners in Care  
Hearing: **Tuesday, 3/1/16; 1:00 PM; CR 308**

Chair Luke, Vice Chair Nishimoto, and Members, Committee on Finance:

Thank you for the opportunity to provide testimony **in strong support** of HD 2244, HD1, making appropriations for multiple housing initiatives. I am Greg Payton, the Chair of the Advocacy Committee of Partners in Care (PIC).

Partners in Care is a coalition of homeless service providers and many others in the community on Oahu dedicated to ending homelessness. In the past year on Oahu, we have developed a coordinated entry system to more effectively and strategically help homeless to navigate resources and be linked to housing. This bill addresses the next steps and the **KEY** to ending homelessness, creation of more affordable rental housing, as well as evidence based solutions to house the chronically homeless and rapidly re-house homeless families and working people.

Hawaii's homeless situation has reached crisis proportions. We are currently ranked as having the #1 rate of homelessness per capita in the nation. This crisis requires a multi-faceted approach to housing Hawaii's individuals and families experiencing homelessness. Partners in Care supports **\$75 million to the Rental Housing Revolving Fund** which is critical to produce a significant number of affordable rental units. This fund is the major tool to create private-public partnerships which have created 5,673 affordable rental units across the state.

We also support **\$3 million for Housing First**. The State's current Housing First program on Oahu has shown tremendous success in housing some of Oahu's hardest to house, highest utilizers of public services, and long-term homeless individuals and families. Through a combination of on-going rental subsidies and wrap-around support services and case management, the State's program have permanently housed over 80 households, including families, with a 97% retention rate. Not only is this program effective to keep chronically homeless households in permanent housing but it efficiently reduces public costs through accumulated healthcare savings. A preliminary report on the State's Housing First program shows an estimated savings of \$2,370 per month in reduced healthcare expenditures. Reducing a household's ER utilization by just one visit a month results in savings that equal to the average monthly rent to permanently house them. Data gathered by Oahu providers shows that there are over 1,000 households that would benefit from the State's Housing First program, demonstrating a clear and immediate need for these additional funds.

We also recognize that there are many families in Hawaii struggling with homelessness for the simple lack of affordable housing. Despite having regular income from employment, hundreds of

**PARTNERS IN CARE, c/o Aloha United Way**  
**200 North Vineyard • Suite 700 • Honolulu, Hawaii 96817 • [www.PartnersinCareOahu.org](http://www.PartnersinCareOahu.org)**

Date: 02-12-2015

Hawaii's families are unable to leave shelters because the price of housing simply exceeds their current income. We support **\$2 million for a shallow rent subsidy program**, which would provide a small rental subsidy allowing working families to exit shelters and enter permanent housing immediately. This frees up existing shelter space for families currently on the street, preventing the need for expanding shelter services. This focuses on the true means of ending homelessness: moving families into permanent housing. Oahu data shows there are nearly 500 families that could potentially benefit from a Shallow Rent Subsidy program.

Once again, we strongly urge your support of HB 2244 to work towards our goal of ending homelessness in Hawaii. Please contact me at (808) 529-4554 or [gpayton@mhkhawaii.org](mailto:gpayton@mhkhawaii.org), if you have any questions.



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF HB 2244, HD1: RELATING TO HOUSING

TO: Representative Sylvia Luke, Chair; Representative Scott Y. Nishimoto, Vice Chair; and Members, Committee on Finance  
FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawai'i  
Hearing: **Tuesday, 3/1/16; 1:00 PM; CR 308**

Chair Luke, Vice Chair Nishimoto, and Members, Committee on Finance:

Thank you for the opportunity to provide testimony **in strong support** of HD 2244, HD1, making appropriations for multiple housing initiatives.

Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness. We see the need for affordable rentals every day. Many elders who seek help from our Housing Assistance Program are facing homelessness. The same is true for singles and families who come to our Housing and Referral Programs. We need to act NOW to create more new affordable rentals, as well as provide multiple paths out of homelessness, such as in this bill.

#### **Catholic Charities Hawai'i priorities for 2016 include:**

**Part I: allocate funding to the Rental Housing Revolving Fund (RHRF):** we support **\$75 million** for this Fund. We suggest that the committee may also want to consider use of CIP funding versus general revenues as stated in the bill. These funds would provide the gap financing critical to building more affordable rental units, an appropriate use of CIP funds. Hawaii has the most expensive housing in the nation—twice the nation average. Rents have increased 65% over the past 10 years. The State needs to promote more affordable rentals. The RHRF has successfully created 5,673 units of affordable rental housing since inception.

**Part II: Housing First.** We support **\$3 million** to continue this program which can successfully house the chronically homeless, and to expand it to the Neighbor Islands. We respectfully urge you to add this funding to the **base budget of DHS.** Because funding is not in the base budget, the sustainability of housing for individuals in the current program (80 households as of 1/11/16) is at risk. **Housing First saves the state money:** *A preliminary Hawaii study of healthcare savings found that after deducting the cost of rental subsidies (\$1,100/mo) and supportive services (\$1,120/mo), the net savings was estimated at \$2,370 per client/month. Total savings per year for each housed client would be about \$28,440 per client.*

**Part IV:** we support **\$2 million** for a shallow rent subsidy program. This promotes the rapid rehousing of families who are working. Often they are stuck in transitional or emergency housing since their work income is not enough for a market unit. DHS plans to target families in high performing shelters since these shelters already have the bookkeeping and case management capacity to rapidly implement this new program without having to create a new bureaucracy. With a small rental subsidy, these working people will become permanently housed, opening up space in shelters for more families. This would better utilize shelter space.

Thank you for addressing these multiple paths out of homelessness. We urge your support.



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eumoku Street, Honolulu, HI 96822  
Phone (808)373-0356 • [bettylou.larson@CatholicCharitiesHawaii.org](mailto:bettylou.larson@CatholicCharitiesHawaii.org)



**Ali`i Pauahi Hawaiian Civic Club**

**TESTIMONY IN SUPPORT OF  
HB 2244, HD1, Relating to Housing  
Committee on Finance**

**Hearing: March 1, 2016, 1:00 pm., Conference Room 308**

Rep. Sylvia Luke, Chair  
Rep Scott Y. Nishimoto, Vice Chair  
Members of the Committee on Finance

Aloha Chair Luke, Vice Chair Nishimoto and Members of the Committee on Finance,

My name is Kehaulani Lum, and I am the President of the Ali`i Pauahi Hawaiian Civic Club. Ali`i Pauahi supports HB 2244, HD1, Relating to Housing, that would make appropriations for various housing programs designed to assist citizens of Hawaii who lack access to affordable housing and/or who require kokua to avoid being houseless.

These bills represent the spirit and practice of Aloha in myriad manifestations. Thousands of people have been helped by such outpouring of Aloha in the past and thousands more will be touched by this new effort. It is the sign of a civilized and loving community to help lift others up.

The Rental Housing Revolving Fund, Housing First, Shallow Rent Subsidy, and Public Housing repair programs proposed by HB 2244, HD1 are much needed. Please support passage of this appropriations bill.

In gratitude and Aloha nui loa,

Kehaulani Lum

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 29, 2016 9:48 AM  
**To:** FINTestimony  
**Cc:** hlusk@chowproject.org  
**Subject:** \*Submitted testimony for HB2244 on Mar 1, 2016 13:00PM\*

**HB2244**

Submitted on: 2/29/2016

Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Heather Lusk	The CHOW Project	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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# HAWAII APPLESEED

## CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice  
Supporting HB 2244 Relating to Housing  
House Committee on Finance  
Scheduled for Hearing Tuesday, Tuesday, March 1 at 1:00pm, Room 308

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*Hawai'i Appleseed Center for Law and Economic Justice Hawai'i Appleseed is committed to a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy, and coalition building.*

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Dear Chair Luke, Vice Chair Nishimoto and Members, Committee on Finance:

Thank you for the opportunity to testify in strong support of HB 2244, which makes appropriations for four housing programs that will combat homelessness.

Hawaii has the highest homelessness rate in the nation, and the problem continues to worsen. We need to adopt proven, cost-effective solutions to address homelessness. The Rental Housing Revolving Fund, Housing First, Shallow Rent Subsidy, and Public Housing repair programs proposed by HB 2244 are much needed.

Affordable housing is key to combating homelessness, and the Rental Housing Revolving Fund will provide the necessary infrastructure to accommodate further initiatives against homelessness. The Rental Housing Trust Fund is a major tool for the creation of affordable housing and has a long record of success, funding over 5,000 units since its creation. We support a \$75 million appropriation for this fund.

We support the continuance of the Housing First program on Oahu and its expansion to neighbor islands. The program gets people off the streets immediately, moving them into a more stable environment where they can be rehabilitated and achieve self-sufficiency. Housing First has been proven nationally as the most effective model for combating chronic homelessness. Additionally, it saves money that would otherwise be expended on healthcare services—a preliminary Hawai'i study of healthcare savings estimated that the net savings from the program were over \$28,000 per person served by Housing First per year. We support a \$3 million appropriation for this program, and respectfully urge you to add this funding to the base budget of DHS.

The Shallow Rent Subsidy program proposed by HB 2244 is intended to help working households who do not need a deep subsidy to secure or maintain housing, but who, without some financial assistance (capped at \$500 per month), will become or remain homeless. Among homeless families, 50% of them are homeless because they were short money to pay rent and had no other underlying issues. Since the subsidy is shallow, a relatively small appropriation can help a relatively large number of households out of homelessness. Shallow Rent Subsidies are designed to be short term. Many studies indicate that participants often only required 6 months of subsidies before they were living in permanent, affordable housing. Shallow subsidies are a relatively low-cost, short-term intervention that can be a permanent solution to homelessness for many Hawai'i families. Hawai'i needs such a program, for which we support a \$2 million appropriation.

Finally, HB 2244 would appropriate funds to improve the existing public housing stock in the state. These funds are necessary to ensure that the homes of current public housing residents meet the minimal standards of safety and habitability. Rehabilitating existing public housing units that are currently vacant due to their condition is also one of these most cost-effective and efficient ways of making available additional affordable housing units.

Thank you very much for hearing and considering this important bill to help end homelessness.



## Testimony in Support of HB 2244, HD1 Relating to Appropriating Funding for the Rental Housing Revolving Fund, Housing First and Schallow Subsidies

To: Representatives: Sylvia Luke, Chair; Scott Nishimoto, Vice Chair and Members

From: Sister Rosita Aranita, Sisters of St. Joseph of Carondelet

Hearing: Tuesday, March 1, 2016, 1:00 P.M.

Thank you for allowing me to testify in support of this vital package of bills to increase affordable rentals and to assist the needy to access these scarce units. I was involved with establishing the nascent Housing Trust Fund in the late 1980s through the Affordable Housing Alliance. I returned to Hawaii in late 2014 only to find that the homeless problem has persisted and increased. Having lived in Minnesota previously, that state has successfully used similar legislation to reduce the number of homeless persons.

Hawaii, however, struggles with unrelieved speculation in a global market and limits of land and supportive resources. These factors have brought us to today's problems and greed continually drives cost of land and development up. I believe the bills before us, although good, predicated the state pouring more money each year into a gaping hole unless we address putting moral and strong constraints on levels of speculation. These difficult measures will invite severe criticisms from ever greedy speculators and those convinced that the free market will someday sort itself out. Our national experience proves otherwise. The rise of the progressive grass roots movement point to the fact that we need to believe and fight for everyone's welfare not only a privileged few with most of the wealth.

I sincerely believe in public servants that do the bidding of every citizen that cry out for equality and the right to shelter, food, education and health care. Without safe and affordable shelter, all else is difficult to attain. I believe we need to re-examine policies of awarding government money, tax relief and tax credits in conjunction with creative solutions. The incentive of corporations to reward candidates to continue the status quo has to be resisted to protect the majority of local peoples' rights to shelter.

I pray you will have the courage to start this movement.

1735 Ala Aolani Street, Honolulu, HI 96819-1413; 808-386-0718; roseruiz.aranita@gmail.com

March 1, 2016

**The Honorable Sylvia Luke, Chair**

House Committee on Financing  
State Capitol, Room 308  
Honolulu, Hawaii 96813

**RE: H.B. 2244, H.D.1, Relating to Housing**

**HEARING: AGENDA #3, Tuesday, March 1, 2016 at 1:00 p.m.**

Aloha Chair Luke, Vice Chair Nishimoto, and Members of the Committee:

I am Myoung Oh, Government Affairs Director, here to testify on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its 8,800 members. HAR **supports the intent** of H.B. 2244, H.D.1 which makes various appropriations for various housing program.

According to the Department of Business, Economic Development and Tourism, nearly 66,000 housing units are needed to meet long-term demand over the next ten years. Not only do we need more affordable homes to meet today's needs of our working individuals and families, we need a place where our keiki can afford to live in the future.

HAR has historically supported mechanisms to help increase the supply of low and moderate income affordable housing such as the Rental Housing Revolving Fund Program which can help integrate the use of mixed-income and mixed-use projects, special purpose revenue bonds, low-interest loans, block grants, low-income housing tax credit programs and deferred loan programs to provide rental housing opportunities.

As such, HAR believes appropriating funds to the Rental Housing Revolving Fund will help expand the much needed affordable rental housing opportunities for Hawaii's residents and will help address the States unique challenges related to affordable rentals.

Mahalo for the opportunity to testify.

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Saturday, February 27, 2016 8:16 PM  
**To:** FINTestimony  
**Cc:** pastordianem@gmail.com  
**Subject:** Submitted testimony for HB2244 on Mar 1, 2016 13:00PM

**HB2244**

Submitted on: 2/27/2016

Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Diane S. Martinson	Individual	Support	No

Comments: As a taxpayer and citizen of Hawai'i, I support the requested funding amounts for the Rental Housing Revolving Fund (\$75 million), Housing First (\$3 million), and a Shallow Subsidies Fund (\$2 million), as well as an appropriate amount of money for needed repairs of Public Housing stock. I commend the legislature for taking this multi-pronged approach to our homeless and affordable housing crisis. Thank you for your diligent and faithful work.

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  
**Sent:** Saturday, February 27, 2016 2:19 PM  
**To:** FINTestimony  
**Cc:** ajc@aloha.net  
**Subject:** Submitted testimony for HB2244 on Mar 1, 2016 13:00PM

**HB2244**

Submitted on: 2/27/2016

Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Alika Campbell	Individual	Support	No

Comments: I strongly support the funding of the rental housing revolving fund, housing first, the shallow rent subsidy program, and the effort to improve existing stock of public housing. All of these are vital tools in addressing the complex issue of homelessness that our state faces and it is only through a multifaceted approach that we will make progress (as there is no "silver bullet").

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Saturday, February 27, 2016 1:03 PM  
**To:** FINTestimony  
**Cc:** rezentesc@aol.com  
**Subject:** Submitted testimony for HB2244 on Mar 1, 2016 13:00PM

**HB2244**

Submitted on: 2/27/2016

Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

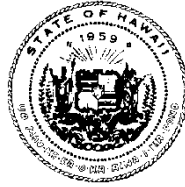
<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Cynthia K.L. Rezentes	Individual	Support	No

Comments: Dear Chair and members of the Finance Committee, I support the intent of the bill as long as current programs are not impacted by adopting this measure. The intended funds being looked at to be added to the measure, \$75M for the Rental Housing Revolving Fund, \$31M for HPHA and their requirements to move their mission forward, \$3M for continuing and expanding the Housing First program, and \$2M for shallow subsidies to help those who only need a little help to stay housed, are all needed to continue to help the State and counties provide the needed housing and services to continue positively addressing our homeless/houseless members of our community. I urge you to support this measure. Mahalo, Cynthia

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DAVID Y. IGE  
GOVERNOR



HAKIM OUANSAFI  
EXECUTIVE DIRECTOR

**LATE**

**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  
**Hakim Ouansafi**  
Hawaii Public Housing Authority  
Before the

**HOUSE COMMITTEE ON FINANCE**

March 1, 2016 1:00 P.M.  
Room 308, Hawaii State Capitol

In consideration of  
**HB 2244, HD1**  
**RELATING TO HOUSING.**

Honorable Chair Luke and Members of the House Committee on Finance, thank you for the opportunity to provide testimony regarding House Bill (HB) 2244, House Draft (HD) 1, relating to housing.

The Hawaii Public Housing Authority (HPHA) appreciates the general intent of this measure to provide much needed appropriations to various housing programs.

In particular, we **support Part III** of the bill, provided that its passage does not replace or adversely impact priorities indicated in the Executive Supplemental Budget request. Part III of the bill makes a general fund appropriation to the HPHA for the repair and maintenance of the HPHA's existing public housing stock, which may include but not be limited to sewer repairs, site light upgrades, major modernization, site and infrastructure improvements, reroofing and exterior repairs, fire alarm upgrades, fencing, etc. A significant appropriation will go far to address the HPHA's backlog of repairs and will make readily available more units for low-income families and individuals.

If Part III of the bill passes, the HPHA would appreciate that the appropriation is provided as a "lump sum" and include funds toward the administrative costs of the repairs and maintenance.

The HPHA appreciates the opportunity to provide the House Committee on Finance with the HPHA's position regarding HB 2244m HD 1. We thank you very much for your dedicated support in addressing the affordable housing crisis in Hawaii.

**LATE**



Hawaii  
**Children's Action Network**  
Building a unified voice for Hawaii's children

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**Address**

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Suite 201  
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96813

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March 1, 2016

To: Rep. Sylvia Luke, Chair  
Rep. Scott Nishimoto, Vice Chair  
House Committee on Finance

From: Deborah Zysman, Executive Director  
Hawaii Children's Action Network

Re: **HB2244, HD1 – Relating to Housing – Support**  
**Agenda #3 -- Hawaii State Capitol, Conference Room 308**  
**March 1, 2016 – 1:00 PM**

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**On behalf of Hawaii Children's Action Network (HCAN), formerly Good Beginnings Alliance, we are writing in support of HB2244, HD1, Relating to Housing.**

HCAN is committed to improving lives and being a strong voice advocating for Hawai'i's children. Last fall, HCAN convened input in person and online from more than 50 organizations and individuals that came forward to support or express interest for a number of issues affecting children and families in our state that resulted in the compilation of 2016 Hawai'i Children's Policy Agenda, which can be accessed at <http://www.hawaii-can.org/2016policyagenda>.

HCAN supports this bill, which would appropriate funds to provide for the repair and maintenance of the states existing public housing units, provide temporary rental subsidies for working families, and expand the State's Housing First Program.

Funding programs like these help to address the chronic housing shortage and bridge the economic gap for families to afford safe and secure housing, especially those with young children. Without these subsidies, we could see our state continue to lead the nation in growing rates for homelessness and unsafe and unstable housing option.

**Homeless Children:** Hawaii has the highest homeless rate in the nation. It's estimated that one-third of the homeless in Hawaii are children.

**Unstable Housing:** Many of our families may not be living on the street or the beach, yet they don't have permanent housing -- they stay with friends and family -- moving frequently.

**High cost of housing for families:** 60 percent of households with young children in Hawaii pay more than 30% of their income for housing.

According to a 2012 report published by Child Trends, children who experience a high degree of instability and turbulence in their lives are more likely to suffer higher levels of emotional and behavioral problems. Children who are homeless may suffer from hunger, poor physical and emotional health, and missed educational opportunities. According to the National Center on Family Homelessness, children who are homeless are twice as likely to go hungry as are children who are not homeless. Homeless children are more likely than other children to have moderate to severe acute and chronic health problems, and less access to medical and dental care. Symptoms of asthma, hyperactivity/inattention, and behavior problem are more prevalent among this group. Homeless children have three times the rate of emotional and behavioral problems, such as anxiety, depression, sleep problems, withdrawal and aggression. Children without stable homes are more than twice as likely as others to repeat a school grade, be expelled or suspended, or drop out of high school. A quarter or more of homeless children have witnessed violence.

Hawaii needs a comprehensive affordable housing solution that helps families at every stage to secure stable housing solutions to help families and keiki in our state build a pathway toward greater economic stability and a healthier thriving community.

**For these reasons, HCAN respectfully requests that the committee vote to pass this bill.**



**LATE**

From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 29, 2016 4:24 PM  
To: FINTestimony  
Cc: wallyinglis@yahoo.com  
Subject: Submitted testimony for HB2244 on Mar 1, 2016 13:00PM

**HB2244**

Submitted on: 2/29/2016

Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Wally Inglis	Individual	Support	Yes

Comments: Chair Luke and Committee Members: I am the president of a nonprofit that has developed more than 500 units of affordable housing at Hale Mohalu--former home for Hansen's disease patients in Pearl City. This would have been impossible were it not for assistance provided through the Rental Housing Revolving Fund and other government programs. I strongly support this omnibus bill which would appropriate \$75 million for the RHTF. While I am uncertain as to the amounts currently earmarked for other components of the HD1 version, I would recommend the following: \$3 million for Housing First; \$2 million for Shallow Rent Subsidy; and \$100 million for badly needed Public Housing repair. Thank you for your efforts to create more affordable housing for Hawaii's people. Wally Inglis Palolo Valley

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From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 29, 2016 9:51 PM  
To: FINTestimony  
Cc: darakawa@lurf.org  
Subject: Submitted testimony for HB2244 on Mar 1, 2016 13:00PM

**HB2244**

Submitted on: 2/29/2016

Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

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

Comments: The Land Use Research Foundation of Hawaii SUPPORTS HB 2244, which makes various appropriations for various housing programs. LURF respectfully urges favorable consideration by this Committee. Thank you for the opportunity to provide comments in support of this measure.

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